ANNUAL REPORT 2022-2023









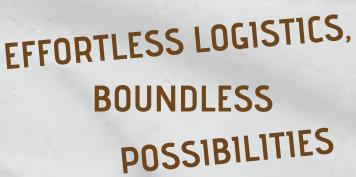














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KDS Accessories Limited

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'





FINANCIAL SYNOPSIS OF 2022-2023



-12.66%

REVENUE

2022-2023 is BDT, 2,794,57 mn 2021-2022 is BDT. 3,199.68 mn

+11.74%

GROSS PROFIT (GP)

2022-2023 is BDT, 555.02 mn 2021-2022 is BDT. 496.70 mn

-7.53%

NET PROFIT (NP) AFTER TAX

2022-2023 is BDT, 153,25 mn 2021-2022 is BDT. 165.73 mn

-7.73%

EARNINGS PER SHARE (EPS)

2022-2023 is BDT. 2.15 2021-2022 is BDT. 2.33

+ 2.15%

NET ASSESTS VALUE (NAV) PER SHARE

2022-2023 is BDT. 26.13 2021-2022 is BDT. 25.58

-200%

NET OPERATING CASH FLOW PER SHARE (NOCFPS)

2022-2023 is BDT. -8.97 2021-2022 is BDT, 8,97

Revenue

2020-2021- BDT. 2,217.94 mn 2019-2020 - BDT. 1,922.33 mn 2018-2019 - BDT. 2,302.16 mn

Earnings Per Share (EPS)

2020-2021 - BDT. 2.20 2019-2020 - BDT, 2.03 2018-2019 - BDT. 1.94

Gross Profit (GP)

2020-2021 - BDT. 424.62 mn 2019-2020 - BDT, 422,67 mn 2018-2019 - BDT. 418.00 mn

Net Assests Value (NAV) Per Share

2020-2021 - BDT. 24.75 2019-2020 - BDT. 24.99 2018-2019 - BDT. 24.94

Net Profit (NP) After Tax

2020-2021 - BDT, 156,94 mn 2019-2020 - BDT, 144,68 mn 2018-2019 - BDT. 138.44 mn

Net Operating Cash Flow Per Share (NOCFPS)

2020-2021 - BDT. 6.58 2019-2020 - BDT, 8.12 2018-2019 - BDT. 2.02



WHO WE ARE

STARTING ITS **JOURNEY BACK** TO THE 1991, **KDS ACCESSORIES** LIMITED

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



Our Strength

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

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

Comprehensive Products Range

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

Global Recognition

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





Vision

To be a globally preferred trims & packaging solutions company



CORE VALUES



Lead Through Service Excellence



Intelligence For



Maintain Global Presence & Standards Economically



Resource Utilization







CORPORATE INFORMATION

KDS Accessories Limited Company Name

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 +880 31 682137 +880 2 9821682 Fax

E-mail accessories@kdsgroup.net Website www.kdsaccessories.com

Bankers & NBFIs Bank Asia Limited

HSBC

Mutual Trust Bank Limited

Trust Bank Limited NRB Bank Limited

Standard Chartered Bank Southeast Bank Limited Dutch Bangla Bank Limited

Insurers Pragati Insurance Limited

Northern General Insurance Company Limited

Statutory Auditor **Auditors**

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 Hud 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 Limited

Chittagong Stock Exchange PLC



BUSINESS AT A GLANCE

THE GROUP OPERATES THROUGH SEVERAL STRATEGIC BUSINESS SEGMENTS

APPAREL



TEXTILES



GARMENTS ACCESSORIES



LOGISTICS



STEEL



BANKING & INSURANCE

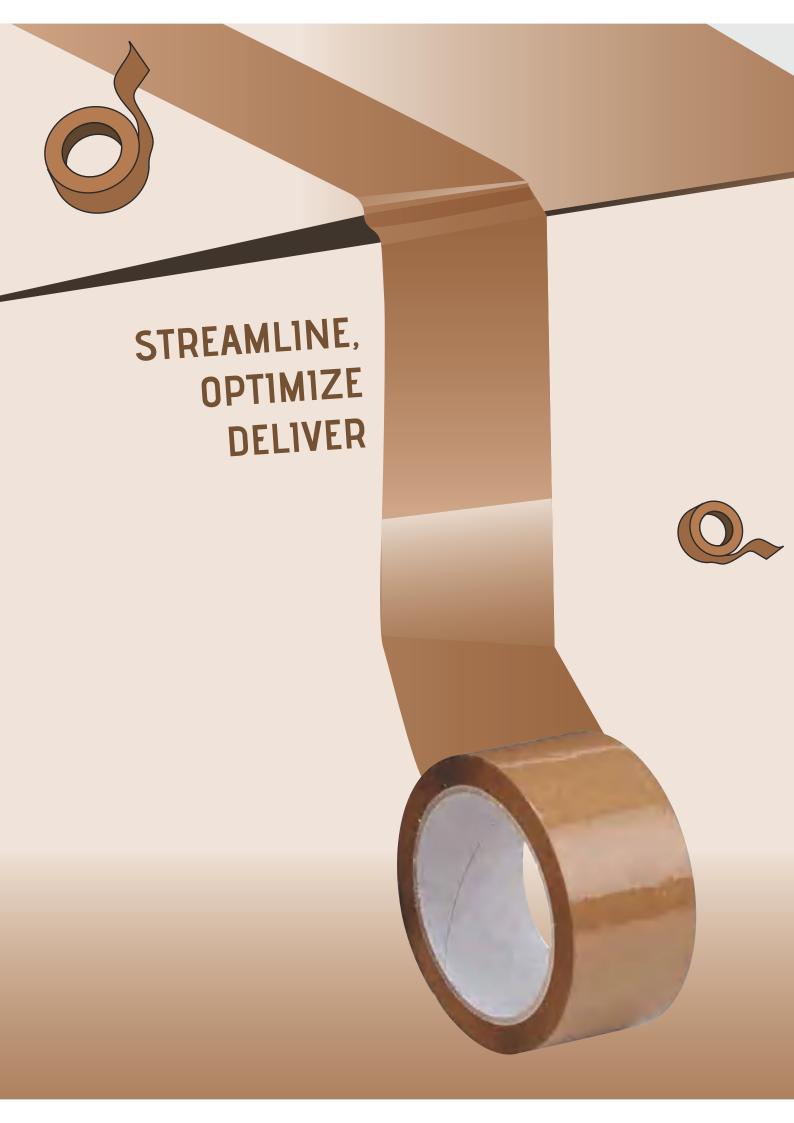


SHARES & SECURITIES



MAJOR EVENTS







LETTER OF TRANSMITTAL

Date: 28 November 2023

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

Annual Report for the year ended 30 June 2023.

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 32nd 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 2023 for your information and record.

Thank You.

Yours Sincerely,

Mohammad Ilias

Company Secretary





PRODUCTS & MARKETS

Think Strength

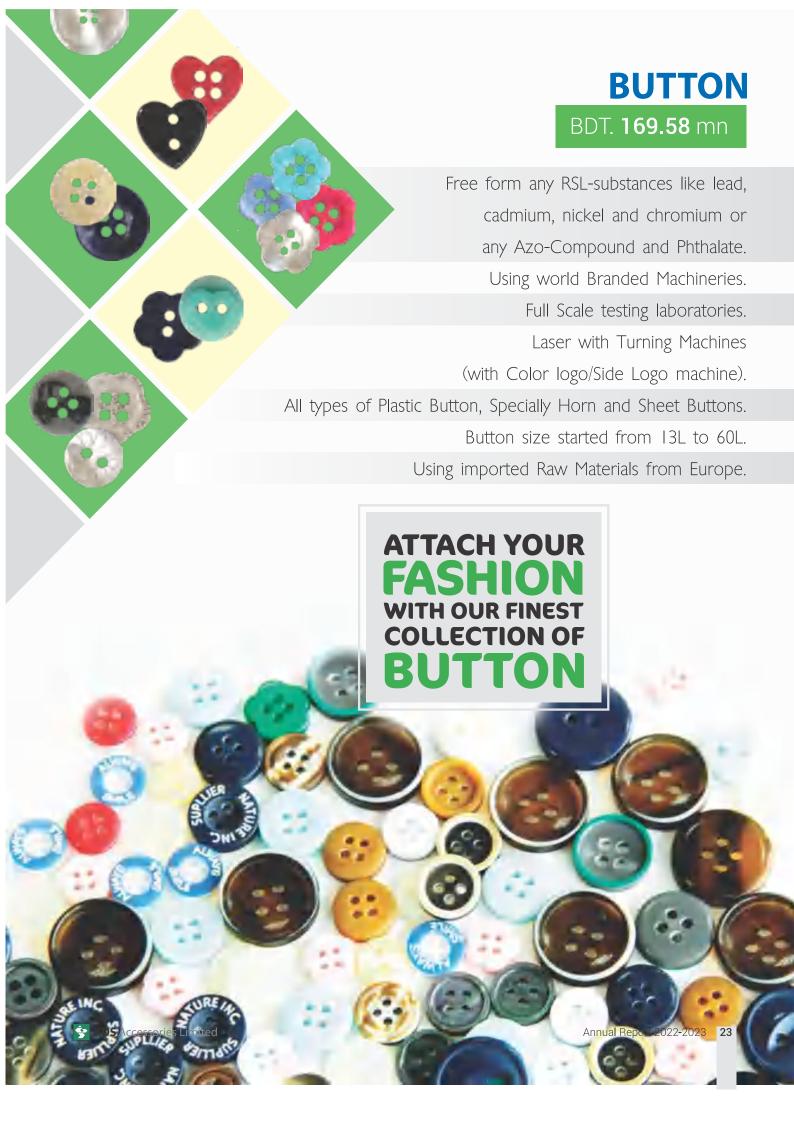
& Robustness KDS Carton



CORRUGATED CARTON

BDT. **2,260.54** 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 30 years of plant engineering experience.





WOVEN LABEL

BDT. **79.54** 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.



BDT. 121.75 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.







Heighten your brand with our Printing Proficiency













HEAT TRANSFER

BDT. **10.71** 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.







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.

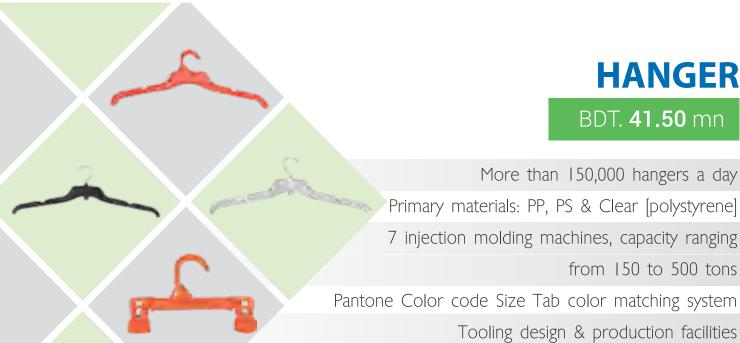
Cost effective, shorter lengths are required.

Easily and securely printed or coded.

GREAT CLOSURE STRENGTH SINCE PERMANENT BOND



1000



& LOCAL SUPPLY KDS HANGERS

IMS certified (ISO 9001:2015, ISO 14001:2015

& BS OHSAS 18001:2007) System





PRINTED FABRIC LABEL

High Speed Flexo Printing Machines-Reduced

Lead Time per booking.

Printed 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.

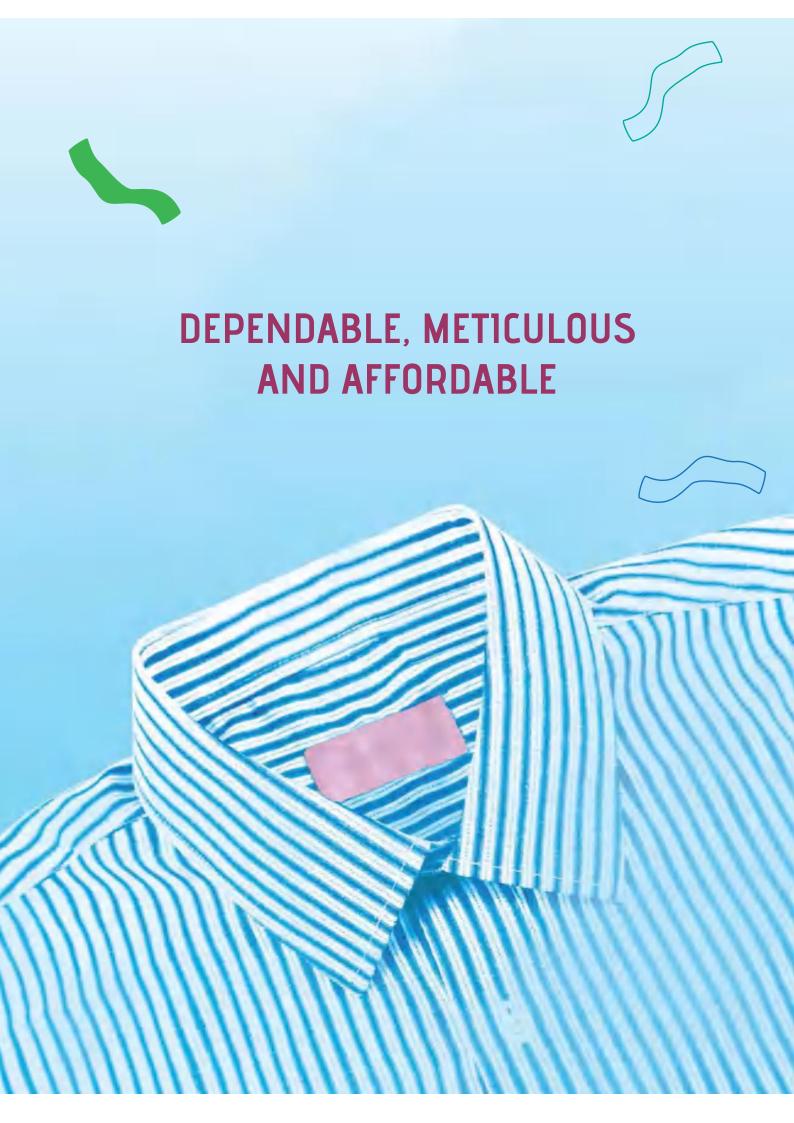
Additional Ink Curing Facility to assure wash fastness.

Oeko-Tex® Standard 100 Certified for Human-Ecological

Requirements/Baby Articles.

ENHANCE YOUR BRAND SOPHISTICATION PRINTED FABRIC LABEL







32nd **Annual General Meeting**

Thursday, 14 December 2023 11:30 AM

https://kdsaccessories.bdvirtualagm.com

Notice of the 32nd Annual General Meeting

Notice is hereby given that the 32nd Annual General Meeting of the Shareholders of KDS Accessories Limited will be held on Thursday, 14 December 2023 at 11:30 AM by using Digital Platform in accordance with the Bangladesh Securities and Exchange Commission's order No- SEC/SRMIC/94-231/91, Dated: March 31, 2021 to transact the following business and adopt necessary resolutions.

Agenda:

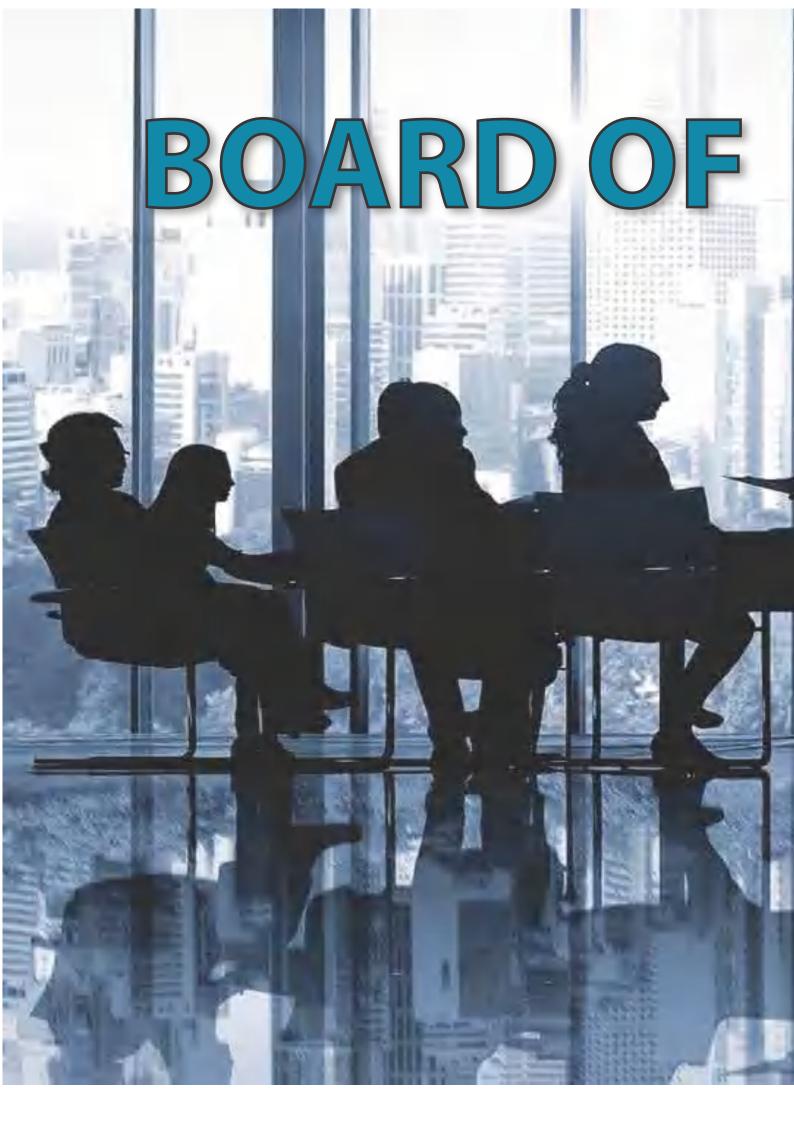
- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June 2023 together with the Auditors' Report and Board of Directors Report thereon.
- 2. To approve the dividend as recommended by the Board of Directors.
- 3. To confirm the reappointment of Managing Director.
- 4. To elect/re-elect the Director(s) of the company.
- 5. To appoint Statutory Auditor and Auditor for Corporate Governance.

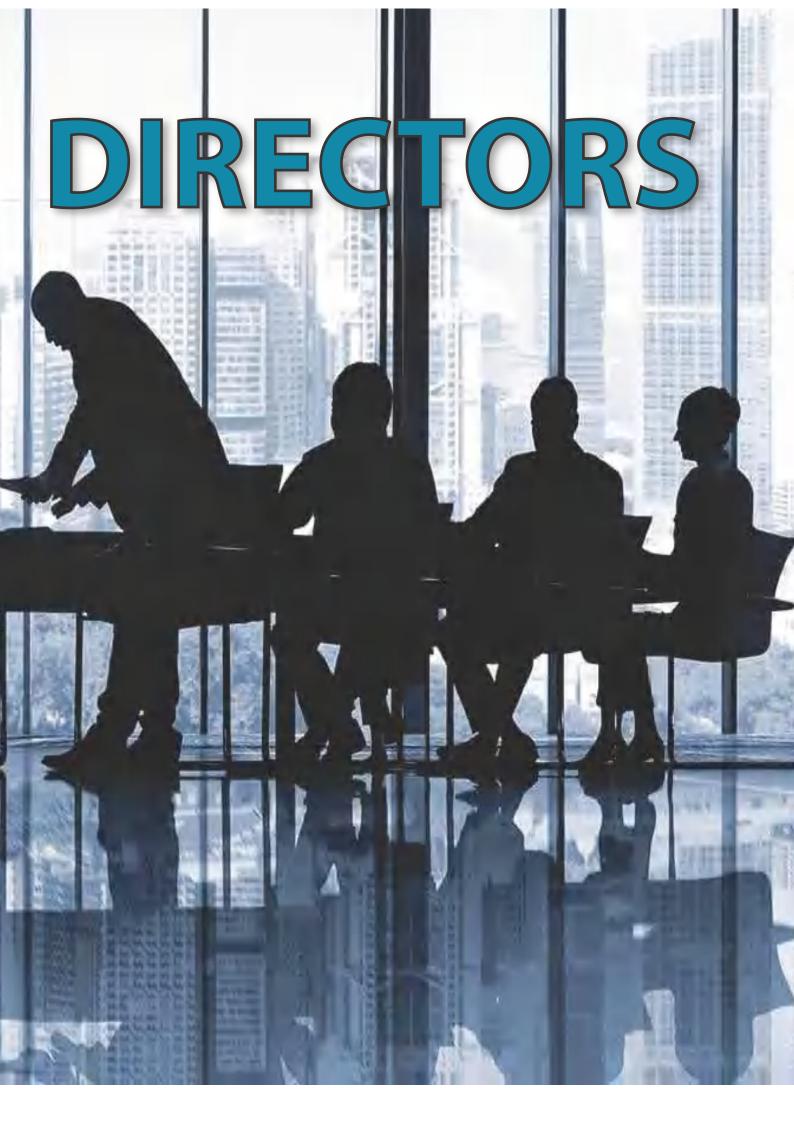
By order of the Board

Chattogram November 21, 2023

Mohammad Ilias Company Secretary

- Shareholders, whose name appears in the Depository Register as on the "Record Date" i.e. November 20, 2023, are entitled to attend/participate and vote in the Annual General Meeting (AGM) and receive the dividend.
- The shareholders will join the virtual AGM through the link http://kdsaccessories. **bdvirtualagm.com**. The shareholders will be able to submit the questions/comments electronically before 24 hours of commencement of the AGM through this link and also during the Annual General Meeting. Please contact at 01777 775389 for any queries in accessing the virtual meeting.
- A shareholder entitled to attend and vote at the meeting may appoint a proxy or proxies in his/her stead and scanned copy of the proxy form, duly stamped must be deposited at the Corporate Office at 191-192, Baizid Bostami Road, Nasirabad I/A, Chattogram-4210 not later than 72 hours before the AGM.
- The annual Report 2022-23 and Proxy Form will be available at the Company's Website www.kdsaccessories.com.
- Soft copy of the Annual Report will be sent to the individual email address of the shareholder's mentioned in their respective BO account.





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

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

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

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

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

logistics, banking, insurance and education etc.

Today, KDS group is one of the largest business conglomerate in the country having business links with USA, Canada, Europe, Japan, South Asian Sub-Continent, India and China etc. and the group was awarded President Gold Trophy for export

9 times and got recognition of Quality Garments Exporter from foreign retailers 4 times.

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

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

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

entrepreneurs of private banks and insurance business in the country.

He is one of the founding directors of National Bank Ltd.- a first generation private bank of the country. He was also pioneer in the private sector insurance of the country and currently holding the position of direc-

tor of Pragati Insurance Limited. and Chairman of



Mr. Khalilur Rahman Chairman Pragati Life Insurance Limited.

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

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

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

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

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

He is the Life Member of Bhatiary Golf & Country Club, Chittagong Boat Club, Chittagong Club Ltd., Chittagong Metropolitan Lions Club, Chittagong Press Club, Chittagong Institute Limited (Senior's Club), Chittagong Maa & Shishu Hospital & Ziri Janakollan 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 Chairman of Executive Committee of Al-Arafah Islami Bank Ltd. He was director of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and current director of Chittagong Metropolitan Chamber of Commerce & Industries.

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

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





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

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

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

Professor Sarwar Jahan Independent Director

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

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

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

He is also a member of the Chittagong Chamber of Commerce and Association of Overseas Technical Scholarship (AOTS), Japan. He joined the Board on 24 August 2021.



Mr. Kamrul Hasan Siddiqui

FCA, ACMA (UK), CGMA

Director

(Representative of KDS Garments Industries Limited)

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

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

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

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

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





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 Siddiqui : Director

FCA, ACMA (UK), CGMA (Representative of

KDS Garments Industries Ltd.)

Professor Sarwar Jahan : Independent Director

Audit Committee

Professor Sarwar Jahan : Chairman
Ms. Tahsina Rahman : Member
Mr. Kamrul Hasan Siddiqui : Member

FCA, ACMA (UK), CGMA (Representative of

KDS Garments Industries Ltd.)

Mr. Mohammad Ilias : Member Secretary

NRC Committee

Professor Sarwar Jahan : Chairman Mr. Khalilur Rahman : Member Mr. Kamrul Hasan Siddiqui : Member

FCA, ACMA (UK), CGMA (Representative of

KDS Garments Industries Ltd.)

Mr. Mohammad Ilias : Member Secretary

Senior Executives

Mr. Debasis Daspal : Chief Executive Officer
Mr. Shahab Uddin Mohd Jaffar : Chief Operating Officer

Mr. Anwar-Ul-Azam : VP-HR, Compliance & Operation

Mr. Biplob Kanti Banik FCA : Chief Financial Officer
Mr. Mohammad Ilias : Company Secretary

Mr. Abu Taher : GM-Sales

Mr. Sarwar Hossain : DGM-HR & Compliance

Mr. A.K.S. Parvez : DGM-Packaging
Mr. Abdur Rouf Mollah : DGM-Button

Mr. Atiqur Rahman : Senior Manager- SLP

Mr. Apu Sarwar : Head of IT

Mr. Kongku Chakma : 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 2022-2023.

Our story

KDS Accessories Ltd. (KDSA) is one of the first-generation garment accessories companies, 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 manufacturers in the country and one of the first of its kind.

Business

It is crucial to acknowledge the challenges that have impacted our performance this year. The global RMG industry, a cornerstone of Bangladesh's export economy, faced headwinds such as shifts in demand from western markets, economic volatility, and inflationary pressures. These factors influenced our financial results, as outlined in our Annual Report and Board of Directors Report.

Despite these challenges, we remain steadfast in our commitment to growth and innovation. Our strategic initiatives are designed to bolster our position in the market and ensure long-term sustainability.

In light of the dynamic business landscape and our commitment to prudent financial management, we have declared a 10% cash dividend this year, a testament to our strategic focus on sustainability and responsible growth.

Looking forward

As we move forward, we are confident in the resilience of the RMG and its related industries, along with the global consumer market's potential for recovery. We remain focused on adapting to the ever-changing landscape and maintaining our mission of being a dependable provider of "one-stop trims and packaging solutions."

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.

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



Khalilur Rahman Chairman

Illusion Pleasures Illu leasures inst Illusion Plead asures Illusion Illu irst al ion Pleas

MESSAGE FROM THE MANAGING DIRECTOR

Dear Valued Shareholders,

I hope this message finds you in good health and high spirits. In a world that has been marred by unprecedented challenges, we once again extend our heartfelt gratitude for your unwavering support and trust in KDS Accessories Ltd. Our journey through the fiscal year 2022-2023 has not been without its trials, and we are committed to providing you with a comprehensive overview of the factors affecting our performance.

As we embark on our 32nd year, it is humbling to reflect on our remarkable journey. In the face of adversities beyond our control, we have not only weathered the storm but thrived. Your active support has been our guiding force, propelling us to rise above the challenges.

Our success story is a testament to the collective effort of our dedicated employees and executives, loyal customers, reliable suppliers, supportive financiers, and diligent regulators.

We extend our heartfelt appreciation to each one of them for their integral role in our continued progress.

Let's delve into the performance highlights of the year 2022-2023:

Performance of the year 2022-2023:

- While sales experienced a 13% decline, the gross profit managed to surge by 12% in comparison to the prior year.
- Adapting to shifting market dynamics resulted in an 8% reduction in net profit after tax compared to the previous year.
- This year's earnings per share settled at 2.15, down from 2.33 in the previous year, illustrating the influ ence of the evolving global economic environment.
- Net Asset Value (NAV) per share now stands at taka 26.13, marking an increase from last year's taka 25.58.

Expansion and Developments

KDS Accessories remains at the forefront of technological advancement in the garment industry. We have undertaken numerous initiatives to enhance productivity by modernizing our production processes. Our vision revolves around innovation to ensure long-term sustainability and competitiveness in an ever-evolving market.

Outlook

In the face of rising inflation, energy market volatility, supply chain challenges, and global conflicts like the Russia-Ukraine war, the world is undergoing significant transformations. However, we remain optimistic about Bangladesh's prospects and the resilience of the ready-made garment (RMG) and its backward-linkage industries.

We firmly believe that global consumer industries will rebound, and we hope that the ongoing Russia-Ukraine conflict will not further disrupt our operations in those regions. Our outlook remains positive, and our mission of providing "one-stop trims and packaging solutions" remains unwavering.

We owe our heartfelt thanks to our Board of Directors, valued business partners, and dedicated colleagues for their unwavering support over the years. Our customers' trust has been a cornerstone of our success, and we express our deep appreciation for their continued confidence.

Last but not least, we are grateful to you, our shareholders, for your unwavering commitment to KDS Accessories. We also extend our gratitude to the 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, and other government bodies for their continuous support.

In closing, I would like to convey our sincere appreciation for your trust in us. Your faith has been the driving force behind our achievements. We remain committed to overcoming challenges, pursuing innovation, and delivering value to you, our esteemed shareholders.

Thank you,

Stay Safe!

Salim RahmanManaging Director

COMMENTS BY CEO

Dear Valued Shareholders,

I would like to express my sincere appreciation for your unwavering support and trust in our company during the past year. I'm honored to present our annual report for the year 2022-2023, which was a year of challenges and adaptation.

The past year posed several obstacles that impacted our industry, and we had to navigate a changing global landscape. Despite the challenges, I want to emphasize the resilience and dedication of our team.

Our revenue in the past year experienced some headwinds, which were in line with the broader industry trends. The apparel market in the USA and Europe remained competitive, and the global economic environment remained uncertain. However, I want to highlight our efforts to manage these challenges proactively.

We focused on enhancing our operational efficiency and cost management to offset the impact of revenue fluctuations. Our commitment to delivering high-quality products, safety, and sustainability remained unwavering.

Our gross profit margin improved, reflecting our dedication to optimizing operations and controlling costs. This demonstrates our commitment to maintaining a strong financial position and delivering value to our shareholders.

While the profit after income tax experienced a decrease, it is essential to understand the context in which these results were achieved. We continued to invest in innovation and sustainability, ensuring that our business remains adaptable and well-positioned for the future.

Earnings per share (basic) and our net asset value remained strong, reflecting our continued focus on creating shareholder value and maintaining a solid financial foundation.

Looking ahead, we remain committed to our long-term strategies, innovation, and sustainability. We believe these efforts will place us in a strong position to navigate future challenges and capture opportunities. I want to reiterate my gratitude for your continued support. I am confident that, together with our dedicated team and your unwavering trust, we will continue to build a prosperous and sustainable future for our company.

Thank you for your trust in our organization.

Sincerely,

Debasis Daspal

Chief Executive Officer





A NEW PEALMOF POSSIBILITIES

DIRECTORS' REPORT

Bismillahir Rahmanir Rahim,

Honorable Shareholders,

On behalf of the Board of Directors of your company and from my own behalf, I am honored to address you in our annual report and share the highlights of our company's performance for the year ended 30 June, 2023. It has been a year of significant accomplishments and valuable lessons, one marked by both triumphs and trails.

Our business

We specialize in producing a wide range of garment accessories, including corrugated cartons, buttons, soft line printing products (labels, elastics, offset printing), hangers, and gum tape. Our products are trusted by prominent retailers, including but not limited to Wal-Mart, Tesco, and Decathlon, among many others.

Overview 2022-2023

Please allow us to provide a concise overview of your company's operational and financial performance from July 1, 2022, to June 30, 2023 as follows:

Revenue:

Our total revenue experienced a 13% decline in comparison to the previous year, primarily attributed to a significant drop in sales in global markets, notably in Europe and the USA.

Cost & Price Impact:

Although sales saw a decrease when compared to the prior year, the gross profit has risen due to improved inventory balancing, enhanced management of raw material procurement and other cost control measures.

Development

In our pursuit of sustainable growth and adaptability within fluctuating markets, we have actively pursued a deliberate strategy to expand our product offerings.

Industry outlook

The backward industry garment Bangladesh is intricately entwined with the global market, and we anticipate that these industries will continue to experience consistent growth in line with the trends of the global supply chain. The Ready-Made Garment (RMG) sector in Bangladesh has earned global recognition thanks to its unparalleled efficiency and cost competitiveness. Notably, numerous market researchers and analysts have foreseen Bangladesh retaining its position as a pivotal sourcing hub for the RMG sector, catering to global brands. With these promising prospects on the horizon, we are optimistic that our business outlook will surpass the achievements of previous years.

Segment & products' performance

Operational Performance

			01 July 2022		01 July 2021			
		to	30 June 2023		to 30 June 2022			
Particulars	Unit	Production	Actual	Capacity	Production	Actual	Capacity	
		Capacity	Production	Utilization	Capacity	Production	Utilization	
		(Pcs/GG)	(Pcs/GG)	in (%)	(Pcs/GG)	(Pcs/GG)	in (%)	
Carton	Pcs	31,750,000	21,594,712	68.01%	31,750,000	30,291,920	95.41%	
Label	Pcs	175,964,208	59,660,775	33.91%	175,964,208	77,342,085	43.95%	
Elastics and Narrow Fabrics	Yard	35,376,000	21,895,399	61.89%	35,376,000	29,278,920	82.76%	
Offset Printing	Pcs	150,009,600	53,135,153	35.42%	150,009,600	74,189,379	49.46%	
Heat Transfer Printing	Pcs	24,960,000	4,277,042	17.14%	24,960,000	6,646,061	26.63%	
Button	GG	360,000	256,496	71.25%	360,000	234,793	65.22%	
Gum Tape	Pcs	4,290,000	543,888	12.68%	4,290,000	830,649	19.36%	
Hanger	Pcs	45,000,000	9,520,911	21.16%	45,000,000	20,894,312	46.43%	

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

Product wise revenue:

	Contribution to Total Revenue						
Product name	Yr 2022-23	3	Yr 2021-22				
	In Taka	In %	In Taka	In %			
Carton	2,260,540,588	80.89%	2,606,624,584	81.47%			
Label	79,536,326	2.85%	55,546,882	1.74%			
Elastics and Narrow Fabrics	121,752,582	4.36%	160,439,193	5.01%			
Offset Printing	70,589,967	2.53%	77,965,565	2.44%			
Heat Transfer Printing	10,715,614	0.38%	6,472,562	0.20%			
Button	169,576,735	6.07%	133,026,939	4.16%			
Gum Tape	40,359,726	1.44%	44,397,110	1.39%			
Hanger	41,498,210	1.48%	115,208,493	3.60%			
Total	2,794,569,748	100%	3,199,681,329	100%			

Risk and concerns

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

Analysis cost of goods sold, gross profit margin and net profit margin (Refer to Annexure-D, Page No: 75-77).

Last 5 Years' Key Operating and Financial Performance

Particulars	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Revenue	2,794,569,748	3,199,681,329	2,217,942,652	1,922,326,909	2,302,159,637
Gross Profit	555,024,234	496,703,842	424,624,094	422,675,837	418,004,019
Profit before WPPF &Tax	207,613,436	198,510,645	185,868,514	181,463,361	180,605,877
Profit after WPPF &Tax	153,252,545	165,725,402	156,945,148	144,679,379	138,440,217
Earnings Per Share (EPS)	2.15	2.33	2.20	2.18	2.20
Shareholders' Equity	1,860,122,810	1,820,762,043	1,761,810,181	1,654,527,148	1,572,910,769
Current Liabilities	2,275,553,891	2,582,244,823	1,820,561,155	1,510,242,105	1,417,325,234
Non Current Liabilities	243,582,292	244,789,178	179,267,520	146,125,621	287,926,972
Addition to Fixed Assets & CWIP	15,371,140	87,113,736	154,890,122	13,830,563	35,179,286
NAV Per Share	26.13	25.58	24.75	24.99	24.94
Net Operating Cash Flow Per Share (NOCFPS)	(8.97)	8.97	6.58	8.12	2.02

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. 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 International Accounting Standards (IAS).

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

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

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

Explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing

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

Significant variance between Quarterly and **Annual Financial Statements**

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

Remuneration to directors including independent directors

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

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

Internal control system

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

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

Minority shareholders' protection

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

Going concern

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

Significant deviation in operating results compared to previous period

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

Dividend

Board of Directors has approved the Dividend Distribution Policy as per directive of Bangladesh Securities and Exchange Commission and based on this, our policy is to offer dividends that closely reflect business performance. As announced by the Company on 23 October 2023, the Board has recommended dividend for all shareholders 10% Cash in respect of the year ended on 30 June 2023 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 20 November 2023. Dividend Distribution Policy and summary of Unclaimed Dividend have been disclosed in Page: 93-94

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 2023, 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. Salim Rahman
- ii) Ms. Tahsina Rahman

Board of Directors' in its meeting held on 23 October 2023 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 4 times. The attendance record of the Directors is as follows

Name of Directors	Designation	Nos of Meeting	Attendance
Mr. Khalilur Rahman	Chairman	4	4
Mr. Salim Rahman	Managing Director	4	4
Ms. Tahsina Rahman	Director	4	4
KDS Garments Inds. Ltd. Represented by			
Mr Kamrul Hasan Sidiqui FCA, ACMA (UK),CGMA	Director	4	4
Professor Sarwar Jahan	Independent Director	4	4

Appointment of independent director

As per provision of Corporate Governance Guidelines notification SEC/CMRRCD/2006-158/207/ADMIN/80 Dated 3rd June 2018 by Bangladesh Securities & Exchange Commission (BSEC) Professor Mr. Sarwar Jahan was appointed as Independent Director of the Company for a period of 3 (Three) years in 30th Annual General Meeting (AGM). Short-bio data of the said director is enclosed herewith in the section of Director's Profile. Page: 40.

Shareholding pattern

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

Directors' involvement 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 Governance 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
AA-	ST-2

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

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

Subsequent events

There is no subsequent event after the date of balance sheet and till the date of this report which could affect the ability of the

users of these financial statements to make an appropriate evaluation.

Audit committee

The Board has constituted the Audit Committee as follows:

Name of Directors	Position
Professor Sarwar Jahan	Chairman & Independent Director
Ms. Tahsina Rahman	Member
KDS Garments Ind. Ltd. Represented by Mr Kamrul Hasan Sidiqui FCA, ACMA (UK),CGMA	Member
Mr. Mohammad Ilias	Member Secretary

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

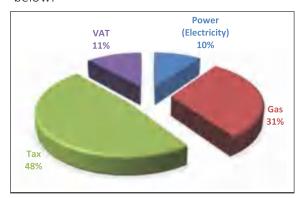
Nomination and remuneration committee (NRC):

During the reporting period under review the committee held one meeting. A detailed of the roles and activities of the Nomination & Remuneration Committee (NRC) has been provided in the "The Report of the Nomination & Remuneration Committee(NRC)" Page: 88-90.

Nomination and Remuneration Committee (NRC)".Page: 88-90

Contribution to national exchequer

Being a responsible business entity, KDSAL is facilitating collection of and 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. 99,186,301 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:

- 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 Flastic 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 HRIS, Sales & Distribution (AMS), Management System (SDMS), Production Management System (PMS), Inventory Management System (IMS), Inventory & Procurement Managing System (IPMS), Fixed Asset Management System (FAMS) and Fund Management System (FMS). Through these applications management can view various reports for its review and decision from any location.

Website

Company maintains a website namely www.kdsaccessories.com which is linked

with the websites of the stock exchanges and it is functional from the date of listing and all disclosures and financials are available in the website of the company.

Human resources

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

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

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

We provide on-the-job training and development opportunities to enhance our employees' 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.

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

Lien or Pledge information:

During the period from July 2022 to June 2023, the following directors of the company has not availed any loan or credit facility by lien or pledge of their shares to the lenders at the time of borrowings. They also had not availed any margin loan from the stockholder or portfolio manager

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

Code of Conduct

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

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

Appointment of auditors & professional A. Appointment of External Auditors:

Hussain Farhad & Co, Chartered Accountants, having its office at Yunusco City Centre (9th Floor), 807, CDA Avenue, Nasirabad, Chattogram-4100, Bangladesh recommended for appointment of external Auditor of the company for the next accounting year for the period from 01 July 2023 to 30 June 2024 and till the conclusion of 33rd AGM subject to the approval of shareholders in next AGM and the remuneration to be fixed mutually by the Board of Directors of the Company and the said firm."

B. Appointment of Professional for Corporate **Governance Certificate:**

On the willingness to be appointed as professional to certify on the compliance of corporate governance as issued by the Bangladesh Securities and Exchange Commission, the Board of Directors in its meeting held on 23 October 2023, 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 2022-2023 subject to the approval by the shareholders in the 32nd 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.
- Proper books of Account of the ii) 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 Financial (IAS)/International 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.
- The key operating and financial data of last 5 years is disclosed in Annexure-D Page: 76.
- The number of Board Meeting held ix) during the reporting period and the

attendance by each director is disclosed in this report in Page: 54.

- The pattern of shareholding is X) disclosed in Annexure-H, Page: 81.
- A compliance status report with xi) requirements of Corporate Governance as required by BSEC is disclosed in Corporate Governance Report and is disclosed in Annexure-C, Page: 68-74.
- Directors' profile is attached in page xii) 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 Stay safe and healthy!

on behalf of the Board

Khalilur Rahman Chairman

23 October 2023

পরিচালকমন্ডলীর প্রতিবেদন

বিছমিল্লাহির রাহমানির রাহিম,

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

পরিচালনা পর্যদের পক্ষ হতে আমি আপনারদের সকলকে কোম্পানীর ৩২তম বার্ষিক সাধারন সভায় স্বাগত জানাচ্ছি এবং ৩০শে জুন ২০২৩ সালের সমাপ্ত বৎসেরর উপর পরিচালনা পর্যদের প্রতিবেদন ও নিরীক্ষীত আর্থিক বিবরনী ও 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, Best Seller, Tesco, Decathlon প্রভৃতি সমূহকে সরবরাহ করে থাকে।

ব্যবসায়ের সংক্ষিপ্ত বিবরণ (২০২২-২০২৩)

বিগত বৎসরের (০১ জুলাই ২০২২ হতে ৩০ জুন ২০২৩) 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 ঃ

বিক্ৰয়

বিশ্বব্যাপী (বিশেষ করে ইউরোপ - আমেরিকায়) তৈরী পোশাকের চাহিদা কমায়, আমাদেও বিগত বৎসরের বিক্রয় তার আগের বছরের তুলনায় ১৩ শতাংশ হারে হ্রাস পেয়েছে।

ব্যয় ও পণ্য মূল্যের প্রভাব

বিগত বছরের বিক্রয় কমা সত্তেও আমাদের কোম্পানির মোট লাভ বৃদ্ধি পেয়েছে। কাঁচামালের যথোপযুক্ত মজুদ এবং ক্রয়ের নিয়ন্ত্রিত ব্যবস্থাপনার মাধ্যমে এই অর্জন সম্ভব হয়েছে।

উন্নয়ন ও সম্প্রসারন

ব্যবসায় প্রতিযোগিতা ও নতুন নতুন উদ্ভাবনের সাথে সামঞ্জ্যতা রেখে উৎপাদন প্রক্রিয়ার পুনঃমূল্যায়নের জন্য আমরা প্রতিনিয়ত কাজ করে যাচিছ। এই বৎসরও Button এর উৎপাদন সক্ষমতা বৃদ্ধির কাজ প্রক্রিয়াধীন রয়েছে এবং চট্ট্রগ্রামে অবস্থিত Packaging Board Plant টির ও কিছু modification এর কাজ ও চলছে।

আমরা আপনাদের আশ্বস্ত করছি যে, আমাদের দীর্ঘমেয়াদী উত্তরণের এই ধারা অব্যাহত থাকবে।

সম্মবনা

বাংলাদেশের গার্মেন্টস এজেরিজ ইভাষ্ট্রিজ বিশ্ব বাজারের সাথে ওতোপ্রোতভাবে জড়িত এবং আশা করি এই শিল্প বিশ্ব বাজারের সাথে সামঞ্জস্য রেখে প্রবৃদ্ধির দিকে এগিয়ে যাবে। ইতিমধ্যে কাজের দক্ষতা এবং Lower Labor Cost এর জন্য বাংলাদেশের পোশাক শিল্প (RMG Sector) বিশ্ব বাজাওে একটা স্থান অর্জন করতে পেরেছে। বিশ্বের অসংখ্য গবেষক এবং বিশ্লেষকের মতে বাংলাদেশকে আরএমজি সেন্তরের গুরুত্বপূর্ণ সোসিং হাব হিসেবে তার অবস্থান ধরে রাখার পূর্বাভাস দিয়েছেন। এই প্রতিশ্রুতির সাথে আমরাও আশাবাদী যে, আমাদের ব্যবসায়িক পরিধির অর্জন বিগত বছরকে ছাড়িয়ে যাবে।।

পন্যভিত্তিক ফলাফল

		০১ জুলাই	০১ জুলাই ২০২২ হতে ৩০ জুন ২০২৩			ই ২০২১ হতে ৩০ জুন	जून २०२२	
বিররণ	ইউনিট	উৎপাদন ক্ষমতা	প্রকৃত উৎপাদন	ধারণ ক্ষমতার ব্যবহার (%)	উৎপাদন ক্ষমতা	প্রকৃত উৎপাদন	ধারণ ক্ষমতার ব্যবহার (%)	
কার্টন	পিচ	৩১,৭৫০,০০০	২১,৫৯৪,৭১২	৬৮.০১%	৩১,৭৫০,০০০	৩০,২৯১,৯২০	৯৫.৪১%	
লেবেল	পিচ	১৭৫,৯৬৪,২০৮	৫৯,৬৬০,৭৭৫	৩৩.৯১%	১৭৫,৯৬৪,২০৮	৭৭,৩৪২,০৮৫	৪৩.৯৫%	
ইলাষ্টিকস এবং ন্যারু ফ্যাবরিক্সস	পিচ	৩৫,৩৭৬,০০০	২১,৮৯৫,৩৯৯	৬১.৮৯%	৩৫,৩৭৬,০০০	২৯,২৭৮,৯২০	৮২.৭৬%	
অফসেট প্রিন্টিং	পিচ	১৫০,০০৯,৬০০	৫৩,১৩৫,১৫৩	৩৫.৪২%	১৫০,০০৯,৬০০	৭৪,১৮৯,৩৭৯	৪৯.৪৬%	
হিট ট্রান্সফার	পিচ	২৪,৯৬০,০০০	8,২৭৭,০8২	۵۹.۵8%	২৪,৯৬০,০০০	৬,৬৪৬,০৬১	২৬.৬৩%	
বাটন	জিজি	৩৬০,০০০	২৫৬,৪৯৬	৭১.২৫%	৩৬০,০০০	২৩৪,৭৯৩	৬৫.২২%	
গামটেপ	পিচ	8,২৯০,০০০	%80, bbb	১২.৬৮%	8,২৯০,০০০	৮৩০,৬৪৯	১৯.৩৬%	
হ্যাঙ্গার	পিচ	86,000,000	৯,৫২০,৯১১	২১.১৬%	8¢,000,000	২০,৮৯৪,৩১২	৪৬.৪৩%	

পণ্যভিত্তিক বিক্রয় ঃ

বিবরণ	২০২২-২৩)	২০২১-২২		
PRPP	টাকায়	%	টাকায়	%	
কার্টন	২,২৬০,৫৪০,৫৮৮	৮০.৮৯%	২,৬০৬,৬২৪,৫৮৪	৮১.৪৭%	
লেবেল	৭৯,৫৩৬,৩২৬	২.৮৫%	<i>৫৫,৫</i> 8৬,৮৮২	۵.98%	
ইলাষ্টিকস এবং ন্যারু ফ্যাবরিক্সস	১২১,৭৫২,৫৮২	8.৩৬%	১৬০,৪৩৯,১৯৩	e.03%	
অফসেট প্রিন্টিং	৭০,৫৮৯,৯৬৭	২.৫৩%	৭৭,৯৬৫,৫৬৫	ર.88%	
হিট ট্রান্সফার	১০,৭১৫,৬১৪	0.08%	৬,৪৭২,৫৬২	0.২0%	
বাটন	১৬৯,৫৭৬,৭৩৫	৬.০৭%	১৩৩,০২৬,৯৩৯	8.১৬%	
গামটেপ	৪০,৩৫৯,৭২৬	۵.88%	०८८,१४७, ८८	১.৩৯%	
হ্যাঙ্গার	83,887,230	\$.8b%	১১৫,২০৮,৪৯৩	৩.৬০%	
সর্বমোট	২,৭৯৪,৫৬৯,৭৪৮	۵۰۰%	৩,১৯৯,৬৮১,৩২৯	১००%	

বিগত ৫ বৎসরের প্রধান আর্থিক অনুপাত ও ফলাফল ঃ

বিবরণ	২০২২-২০২৩	২০২১-২০২২	২০২০-২০২১	২০১৯-২০২০	২০১৮-২০১৯
বিক্রয়	২,৭৯৪,৫৬৯,৭৪৮	৩,১৯৯,৬৮১,৩২৯	২,২১৭,৯৪২,৬৫২	১,৯২২,৩২৬,৯০৯	২,৩০২,১৫৯,৬৩৭
মোট মুনাফা	<i>৫৫৫,</i> ०২8,২ ৩ 8	৪৯৬,৭০৩,৮৪২	8২৪,৬২৪,০৯৪	৪২২,৬৭৫,৮৩৭	८४७,००८,०४८
WPPF এবং Income Tax পূৰ্ববৰ্তী মুনাফা	২০৭,৬১৩,৪৩৬	১৯৮,৫১০,৬৪৫	\$\$¢,\$\\\$,\$\$8	১৮১,৪৬৩,৩৬১	১৮০,৬০৫,৮৭৭
নীট মুনাফা	১৫৩,২৫২,৫৪৫	১ ৬৫,৭২৫,৪০২	১৫৬,৯৪৫,১৪৮	১৪৪,৬৭৯,৩৭৯	১৩৮,৪৪০,২১৭
শেয়ার প্রতি আয় (EPS)	ર.১૯	২.৩৩	২.২০	২.১৮	২.২০
শেয়ারহোল্ডারদের সম্পদ	১,৮৬০,১২২,৮১০	১,৮২০,৭৬২,০৪৩	১,৭৬১,৮১০,১৮১	১,৬৫৪,৫২৭,১৪৮	১,৫৭২,৯১০,৭৬৯
চলতি দায়	২,২৭৫,৫৫৩,৮৯১	২,৫৮২,২৪৪,৮২৩	১,৮২০,৫৬১,১৫৫	১,৫১০,২৪২,১০৫	১,৪১৭,৩২৫,২৩৪
দীর্ঘমেয়াদী দায়সমূহ	২৪৩,৫৮২,২৯২	২৪৪,৭৮৯,১৭৮	১৭৯,২৬৭,৫২০	১৪৬,১২৫,৬২১	২৮৭,৯২৬,৯৭২
স্থায়ী সম্পদ এবং চলতি কার্যের সংযোজন	১৫,৩৭১,১৪০	৮৭,১১৩,৭৩৬	১৫৪,৮৯০,১২২	১৩,৮৩০,৫৬৩	৩৫,১৭৯,২৮৬
শেয়ার প্রতি নীট সম্পদ মূল্য (NAV)	২৬.১৩	২৫.৫৮	२ 8.9৫	২৪.৯৯	২৪.৯৪
শেয়ার প্রতি নগদ প্রবাহ	(৮.৯৭)	৮.৯৭	৬.৫৮	৮.১২	২.০২

ঝুঁকি ও উদ্বেগ

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

বিক্রিত পণ্যের উৎপাদন ব্যয়, মোট মুনাফা এবং নীট মুনাফার বিশ্লেষণ

বিক্রিত পণ্যের উৎপাদন ব্যয়,মোট মুনা ফা 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 হয়নি।

স্বার্থসংশ্লিষ্ট প্রতিষ্ঠানের সাথে লেনদেন

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

IPO তহবিলের ব্যবহার

কেডিএস এক্সেসরিজের প্রাথমিক গণ প্রস্তাব (IPO) অনুষ্ঠিত হয় ২০১৫ সালে এবং এর মাধ্যমে উত্তোলিত অর্থ ইতোমধ্যে Prospectus এ বর্ণিত খাতে সম্পূর্ণরূপে ব্যবহার করা হয়েছে যা নিরীক্ষা করে যথাযথ নিয়ন্ত্রক সংস্থার নিকট প্রেরণ করা হয়েছে।

IPO পরবর্তী কোম্পানীর আর্থিক ফলাফল

২০১৫ সালের IPO পরবর্তী সময়ে কোম্পানী অন্য কোনভাবে আর কোন Fund Raising করে নাই এবং IPO এর পর কোম্পানীর আর্থিক অবস্থান সুদৃঢ় রয়েছে।

ত্রৈমাসিক এবং বার্ষিক আর্থিক ফলাফলে উল্লেখযোগ্য ব্যবধান

উল্লেখিত সময়ে কোম্পানীর ত্রৈমাসিক এবং বার্ষিক কার্যক্রমে উল্লেখযোগ্য কোন ব্যবধান নেই।

পরিচালকপর্যদের ভাতা / সম্মানী

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

ক্রম	পরিচালকের নাম	পদবী	টাকা
٥	জনাব খলিলুর রহমান	চেয়ারম্যান	
ર	জনাব সেলিম রহমান	ব্যবস্থাপনা পরিচালক	৬,১০০,০০০
9	জনাবা তাহসিনা রহমান	পরিচালক	
8	কেডিএস গার্মেন্টস ইন্ডাষ্ট্রিজ লিমিটেড এর প্রতিনিধি জনাব কামরুল হাসান সিদ্দিকী এফসিএ, এসিএমএ (ইউকে),সিজিএমএ	পরিচালক	
¢	প্রফেসর সরওয়ার জাহান	স্বাধীন পরিচালক	
	সর্বমোট		७,১००,०००

অভ্যন্তরীণ 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।

সংখ্যালঘু শেয়ারহোন্ডারদের 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

গত বছরের তুলনায় অপারেটিং ফলাফলের উল্লেখযোগ্য পরিবর্তন ঃ

গত বছরের তুলনায় অপারেটিং ফলাফলে কোন ধরনের বিচ্যুতি নাই।

বাংলাদেশ সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশন (BSEC) কর্তৃক নির্দেশিত Directive অনুসারে কোম্পানী একটি Dividend Distribution Policy অনুসরণ করে থাকে এবং এর ভিত্তিতে কোম্পানীর ফলাফলের সাথে সামঞ্জস্যতা রেখে আমরা লভ্যাংশ ঘোষণা করে থাকি।

২৩ অক্টোবর ২০২৩ তারিখে অনুষ্ঠিত পরিচালনা পর্মদের সভায় বিগত বৎসরের জন্য (৩০ জুন ২০২৩ তারিখের সমাপ্ত আর্থিক বৎসরের) কোম্পানীর সকল শেয়ারহোল্ডাদের ১০% নগদ লভ্যাংশ বিতরণের সুপারিশ করা হয়েছে যাহা বার্ষিক সভায় অনুমোদন সাপেক্ষে নির্দিষ্ট Record date- ২০ নভেম্বর ২০২৩ এ শেয়ারধারীদের মধ্যে বিতরণ করা হবে।

পরিচালকমন্ডলী নিশ্চিত করছেন যে, বিগত বছরে কোন প্রকার অর্ন্তবর্তীকালীন Stock Dividend ঘোষণা করেননি।

Dividend Distribution Policy Page: 93-94 এ বর্ণনা করা হয়েছে।

পরিচালক মন্ডলী ঃ

পরিচালনা পরিষদের গঠন ও আকার ঃ

৩০ জুন ২০২৩ 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।

পরিচালনা পর্যদের অন্যান্য স্বার্থ সংশ্লিষ্ট প্রতিষ্ঠানের বিবরণ ঃ

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

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 পূনঃনিয়োগের যোগ্য বিধায় পূনঃনিয়োগের আগ্রহ প্রকাশ করেছেন।

- ১. জনাব সেলিম রহমান
- ২. জনাবা তাহসিনা রহমান

বিগত ২৩ অক্টোবর ২০২৩ তারিখে অনুষ্ঠিত কোম্পানীর পরিচালনা পর্ষদের সভায় তাদের পুনঃনিয়োগ প্রস্তাব সর্বসম্মতিক্রমে গৃহীত হয়েছে । উক্ত পরিচালকদ্বয়ের জীবন বৃত্তান্ত Page-36-41 এ উল্লেখ করা হয়েছে।

8. পরিচালনা পর্যদের সভা ও উপস্থিতি ঃ

উল্লেখিত সময়ে পরিচালনা পর্যদের মোট ৪ টি সভা অনুষ্ঠিত হয়। উক্ত সভায় পর্যদের সদস্যদের স্ব-স্ব উপস্থিতি নিন্মে উল্লেখ করা হল ঃ-

পরিচালকের নাম	পদবী	অনুষ্ঠিত মোট সভার সংখ্যা	সভায় উপস্থিতি সংখ্যা
জনাব খলিলুর রহমান	চেয়ারম্যা ন	08	08
জনাব সেলিম রহমান	ব্যবস্থাপনা পরিচালক	08	08
জনাবা তাহসিনা রহমান	পরিচালক	08	08
কেডিএস গার্মেন্টস ইন্ডাষ্ট্রিজ লিমিটেড এর প্রতিনিধি জনাব কামরুল	পরিচালক	08	08
হাসান সিদ্দিকী এফসিএ, এসিএমএ (ইউকে), সিজিএমএ			
প্রফেসর সরওয়ার জাহান	স্বাধীন পরিচালক	08	08

স্বাধীন পরিচালক নিয়োগ

বাংলাদেশ সিকিউরিটি এন্ড এক্সচেঞ্জ কমিশন (BSEC) কর্তৃক নির্দেশিত কর্পোরেট গর্ভানেন্স নির্দেশিকা যাহা ০৩রা জুন ২০১৮ইং তারিখে ইস্যুকৃত নোটিফিকেশন নং (বিএসইসি/সিএমআরআরসিডি/২০০৬১৫৮/ ২০৭/ এডমিন/৮০) অনুযায়ী কোম্পানীর স্বতন্ত্র পরিচালক হিসেবে প্রফেসর সরওয়ার জাহানকে পূর্ববর্তী সাধারণ সভায় পরবর্তী ৩ বৎসরের জন্য নিয়োগ দেয়া হয়েছে। প্রফেসর সরওয়ার জাহান এর যোগ্যতা এবং দক্ষতা ডিরেক্টরস প্রোফাইলে Page No: 40 এ বিস্তারিত দেয়া হয়েছে। শেয়ারহোন্ডিং Patterns

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

পরিচালকমন্ডলীর অন্যান্য ব্যবসায়িক কার্যক্রম

পরিচালকমন্ডলীর 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 নীট মুনাফার হ্রাস ও বৃদ্ধির উপর আলোচনা করে থাকেন এবং বাজার পর্যালোচনা করে ব্যবসায়িক প্রবৃদ্ধির জন্য প্রয়োজনীয় পদক্ষেপ গ্রহণ করে থাকেন। এ বিষয়ের উপর তাদের বিস্তারিত কার্যক্রমের / বিশ্লেষণের উপর একটি প্রতিবেদন Annexure – D,

Page: 75-77 এ উপস্থাপন করা হয়েছে।

ক্রেডিট রেটিং :

ক্রেডিট রেটিং ইনফরমেশন এন্ড সার্ভিসেস লিমিটেড (CRISL) এর বিশ্লেষনে আপনাদের কোম্পানীর ঋণমান নিম্নুরূপঃ-

দীর্ঘকালীন	স্বল্পকালীন
AA-	ST-2

উক্ত AA-রেটিং অনুসারে আপনাদের কোম্পানীর ঋণমান ভাল মৌল ভিত্তি সম্পন্ন এবং আয় অর্জনের সক্ষমতা নির্দেশ করে। ক্রেডিট রেটিং কোম্পানীর মূল্যায়নে আপনাদের কোম্পানীর ভবিষ্যত অবস্থা "Stable' থাকবে। উপরোক্ত রেটিং কিছু মৌলিক বিষয়ের উপর যেমন- ভাল মুনাফা, শিল্প ও জমি সংক্রান্ত অবকাঠামোগত ব্যবস্থার উপর ভিত্তি করে মূল্যায়ণ করা হয়েছে। এ বিষয় শ্রেণীতে অর্ন্তভুক্ত রেটিং বলতে বুঝায় উচ্চমান, উচ্চনিরাপত্তা এবং উচ্চমানের ঋণ।

সিইও এবং সিএফও কর্তৃক প্রত্যায়ন পত্র

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

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 পর্যদের সহযোগী হিসেবে নিম্লে উল্লেখিত সদস্যদের নিয়ে একটি নিরীক্ষা কমিটি গঠন করা হয়েছে ঃ

পরিচালকের নাম	श्रमरी
প্রফেসর সরওয়ার জাহান	চেয়ারম্যান এবং স্বাধীন পরিচালক
জনাবা তাহসিনা রহমান	সদস্য
কেডিএস গার্মেন্টস ইন্ডাষ্ট্রিজ লিমিটেড এর প্রতিনিধি জনাব কামরুল হাসান	সদস্য
সিদ্দিকী এফসিএ, এসিএমএ (ইউকে),সিজিএমএ	*(///)
জনাব মোহাম্মদ ইলিয়াছ	সদস্য সচিব

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

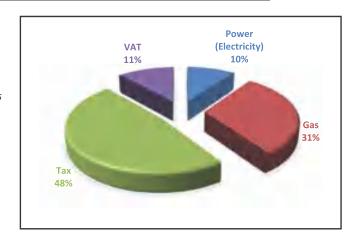
মনোনয়ন এবং বেতন কাঠামো নির্ধারণ কমিটি

ইশষঞত্র িণরক্রধ ঊ□ ঐঠইশধষব ষিথষখধ ০১ ষখ বতশ ইঠহষুছ ভ্যঢ় কেডিএস এক্সেসরিজ লিমিটেড গত ৩ ডিসেম্বর ২০১৮ তারিখে পরিচালনা পর্ষদের উপ-কমিটি হিসেবে মনোনয়ন এবং বেতন কাঠামো নির্ধারণ কমিটি (Nomination & Remuneration) নামে একটি কমিটি গঠন করে। এই কমিটি কোম্পানীর পরিচালকমন্ডলীকে কোম্পানীর নির্বাহীদের যোগ্যতা, অভিজ্ঞতা, সম্মানী ও পরিচালকদের স্বাধীনতা মূল্যায়নের মানদন্ড 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 প্রযোজ আরোপিত বিভিন্ন প্রকার কর, শুল্ক, মুসক হিসেবে মোট ৯৯,১৮৬,৩০১ 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 নিমুরূপ ঃ

- FSC Chain of Custody Certification Standard & FSC CoC Certification of Multiple Sites Standard by Bureau Veritas
- ISO Certification
- OEKO-TEX Standard 100 Certified for Woven Labels.
- OEKO-TEX Standard 100 Certified for Buttons.
- Scope Certificate for Recycled Claim Standard (RCS)
- Scope Certificate for Global Recycled Standard (GRS)
- Achievement Award of Trim Qualification Program by
- 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, বৈশ্যিক বিক্রয়, পদ্ধতিগত ব্যবস্থাপনা, সময়োপযোগী পর্যবেক্ষণ, যথাযথ গ্রাহক সেবা এবং দীর্ঘমেয়াদী ব্যবসায়িক প্রবৃদ্ধি এ সব কিছুর পরিচালনায় তথ্য প্রযুক্তির ব্যবহার ছাড়া এ যুগে প্রায় অসম্ভব।

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

ওয়েরসাইট (Website)

কোম্পানী www.kdsaccessories.com নামে একটি Website চালু রেখেছে যা Stock Exchange এর Website এর সাথে সংযুক্তি 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 প্রতিযোগীতায় টিকে থাকার সক্ষমতা গড়ে উঠে। বিশ্বমানের পরামর্শকারী প্রতিষ্ঠান কর্তৃক আপনাদের কোম্পানীর পরিচালনগত অবকাঠামো এবং গঠনতন্ত্র গ্রহন করা হয়েছে যাহা প্রতিষ্ঠানে কর্মরত প্রত্যেকের দক্ষতা এবং সক্ষমতা বৃদ্ধিতে অবদান রাখছে। আমরা আমাদের প্রতিষ্ঠানে কর্মরত কর্মকর্তা ও কর্মচারীদের নিয়মিত প্রশিক্ষনের ব্যবস্থা করে থাকি এবং আমরা নিয়োগের ক্ষেত্রে Equal Oppurtunity এবং ক্ষমতায়ন নিশ্চিত করে থাকি।

Compliance সৰ্ম্পকিত 8 নং ধারার নোটিফিকেশন বিএসইসি/সিএমআরআর ডি/২০০৯-১৯৩/১০/এডমিন/১১৮ তারিখ ২২ মার্চ ২০২১ এ উল্লেখিতঃ

Bangladesh Securities & Exchange Commission এর সর্ম্পকিত ৪ ধারার নোটিফিকেশন নং compliance বিএসইসি/সিএমআরআর ডি/২০০৯-১৯৩/১০/এডমিন/১১৮ তারিখ ২২ মার্চ ২০২১ মোতাবেক, নিম্নে উল্লেখিত কোম্পানির শেয়ারহোল্ডারগণ তাঁদের ধারনকৃত শেয়ার lien বা pledge রেখে কোন প্রকার ঋণ বা অগ্রীম গ্রহন করেননি।

পারিচালক বৃন্দের নাম	কোম্পানিতে	শেয়ারের সংখ্যা	শেয়ারহোল্ডিং
·	অবস্থান		%
জনাব খলিলুর রহমান	চেয়ারম্যান	৩০,৫৯৯,২৩৭	8২.৯৯%
জনাব সেলিম রহমান	ব্যবস্থাপনা	\$0,000,088	১৪.০৯%
	পরিচালক		

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 , চাটার্ড একাউন্ট্যান্টস (ইউনেস্কো সেন্টার, নবম তলা, ৮৭০, সিডিএ এভেনিউ, নাসিরাবাদ, চউগ্রাম)কোম্পানীর ৩২তম বার্ষিক সাধারণ সভায় নিয়মানুযায়ী অবসর গ্রহন করবেন এবং পুনঃ নিয়োগের যোগ্য হওয়ায় আগামী হিসাব বছরের নিরীক্ষা কার্যক্রম পরিচালনার সম্মতি প্রদান করেছেন।

এই পরিপ্রেক্ষিতে পরিচালনা পর্ষদ ২৩ অক্টোবর ২০২৩ তারিখে অনুষ্ঠিত সভায় কোম্পানীর আগামী হিসাব বছরের (২০২৩-২০২৪) নিরীক্ষা পরিচালনার জন্য হোসাইন ফরহাদ এন্ড কোং, চাটার্ড একাউন্ট্যান্টসকে বহিঃ নিরীক্ষক হিসেবে নিয়োগের সুপারিশ করেছেন যা আগামী ৩২তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপিত

খ. কর্পোরেট গর্ভনেন্স সার্টিফিকেশন এর জন্য Professional নিয়োগ:

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন দ্বারা ইস্যুকৃত কর্পোরেট গর্ভনেন্স সার্টিফিকেশন এর জন্য Professional নিয়োগের পরিপ্রেক্ষিতে পরিচালনা পর্ষদ ২৩ অক্টোবর ২০২৩ তারিখে অনুষ্ঠিত সভায় শফিক বসাক এন্ড কোম্পানী চাটার্ড একাউন্ট্যান্ট্স (ন্যাশনাল হাউজ, দ্বিতীয় তলা, ১০৯, আগ্রাবাদ কর্মাশিয়াল এরিয়া, চউগ্রাম) এর পার্টনার জনাব এস কে বসাক এফসিএ কে আগামী হিসাব বছরের জন্য নিয়োগের সুপারিশ করেছেন যা আগামী ৩২তম 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/এডমিন/৮০ তারিখ ০৩ জুন ২০১৮) কর্পোরেট সুশাসন মেনে চলার নির্দেশিকার উপর নিরীক্ষকের সনদ এবং প্রতিবেদন এই রিপোটে বিস্তারিত দেয়া হয়েছে। এ সংক্রান্ত প্রতিবেদন Annexure-B & C, Page-68-74 এ উল্লেখ করা হয়েছে।

পরিচালকদের দায়িত্বের বিবৃতি ঃ

বিএসইসি নোটিফিকেশন নং বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ ০৩ জুন ২০১৮ অনুসারে পরিচালনা পর্যদ এই বিষয়টি নিশ্চিত করেন যে.

- কেডিএস এক্সেসরিজ লিঃ এর ব্যবস্থাপনা কর্তৃক তৈরীকৃত আর্থিক প্রতিবেদন কোম্পানীর সার্বিক অবস্থা, পরিচালনার ফলাফল সমূহ, নগদ প্রবাহ এবং সম্পদের পরিবর্তন ইত্যাদি যথাযথ ভাবে উপস্থাপন করা হয়েছে।
- ২. যথাযথ হিসাব বই সংরক্ষণ করা হয়েছে।
- অার্থিক প্রতিবেদন তৈরীতে যথাযথ একাউন্টিং পলিসি
 নিরবিচ্ছিন্নভাবে প্রয়োগ করা হয়েছে এবং হিসাবের প্রাক্কলনগুলো

 যুক্তিসংগত এবং যথোপযুক্ত বিচার বিশ্লেষনের উপর ভিত্তি করে করা

 হয়েছে।
- আর্থিক প্রতিবেদন তৈরীতে ইন্টারন্যাশনাল একাউন্টিং স্ট্যান্ডারডস (আইএএস)/ ইন্টারন্যাশনাল ফিনেন্সিয়াল রিপোর্টিং স্ট্যান্ডার্ডস (আইএফআরএস) যেভাবে বাংলাদেশে প্রযোজ্য সেভাবে অনুসরণ করা হয়েছে এবং যে কোন ধরণের পরিবর্তন পর্যাপ্তভাবে প্রকাশ করা হয়েছে।
- ক. 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।
- 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 পর্যদের সভার সংখ্যা এবং পরিচালকদের উপস্থিতি সংক্রান্ত তথ্য Page:54 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:68-74 এ বর্ণনা করা হয়েছে।
- ১২. পরিচালকদের প্রোফাইল Page: 36-41 এবং অন্যান্য সংস্থায় তাদের অংশিদারিত্ব এবং অবস্থান, ব্যবসায়িক স্বার্থ এই রিপেটির Annexure I, Page:83 এ বর্ণনা করা হয়েছে।

ধন্যবাদ জ্ঞাপন ঃ

আমরা আমাদের গ্রাহক, সরবরাহকারী, বিনিয়োগকারী, ব্যবসায়িক সহযোগী এবং ব্যাংকারদেরকে তাঁদের সহযোগিতার জন্য আন্তরিক ধন্যবাদ জানাচ্ছি এবং সেই সাথে কোম্পানীর সকল কর্মকর্তা, কর্মচারীদেরকেতাদের 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।

নিরাপদ ও সুস্থ্য থাকুন।

পরিচালকমন্ডলীর পক্ষে-

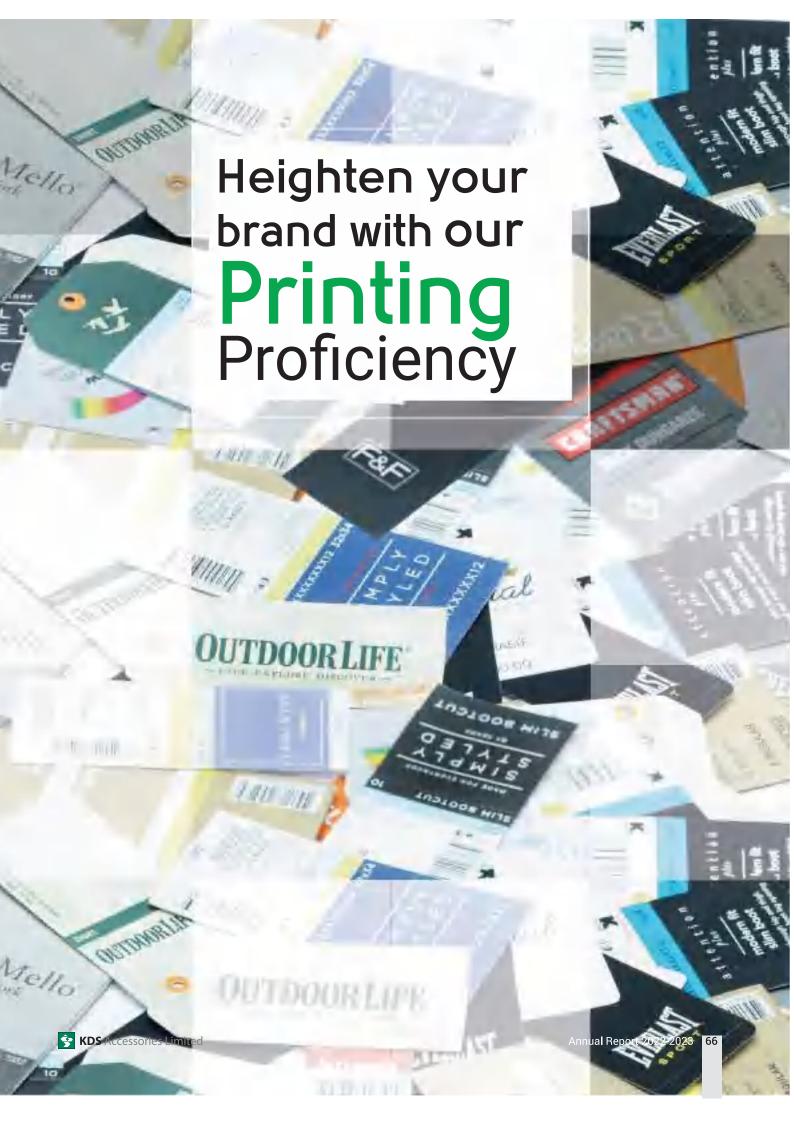
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ANNEXURE - A [As per condition No. 1(5)(xxvi)]

KDS ACCESSORIES LIMITED **DECLARATION BY CEO & CFO**

21 October 2023 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, 2023.

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, 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no materials uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

- (i) We have reviewed the financial statements for the year ended on 30 June, 2023 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

KDS Accessories Limited



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Parimers:

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Shelkh Zahidul Islam, MHA, FCA

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[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 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/60 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:

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

FOR, SHAFIQ BASAK & CO. CHARTERED ACCOUNTANTS

S.K. Book S. K. BASAK FCA (0625) PARTNER



Dated: November 18, 2023

Place: Chattogram



DHAKA OFFICE (2h House, 42 (5) 15(or), Road, 10). Blook, A. Nikeson, Gulshan, 10). Dhaka, Phone: XX-DC-99K59V03-3, 01819-285198, E-mail.m.heinxids.hdis.gm.al.com



CORPORATE GOVERNANCE COMPLIANCE REPORT

Status of compliance with the condition imposed by the Commission's Notification No. BSEC/ CMRRCD/2006-158/207/Admin/80, dated03June,2018 issued under section 2CC of the Securities and Exchange Ordinance,1969:

Condition No.	Title		nce Status	Remarks
1	Board of Directors	Complied	Not Complied	
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	
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).	\checkmark		
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 I(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.	\checkmark		
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			N/A
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	√		
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	Complied	Not Complied	Remarks
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-	2011,01100	7101 00111011011	_
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;	√		
l(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		1	
	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	√		
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;	√		
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		ance Status	Remarks
1(5)(xxiv)(a)	A brief resume of the director	Complied √	Not Complied	
1(5)(xxiv)(a)	Nature of his/her expertise in specific functional areas;	V √		
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;	√		Approved by Ministry of Commerce (Exemption of U/S 109)
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
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			
3(3)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer	√		
	(CFO) The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements			
3(3)(a) 3(3)(a)(i)	for the year and that to the best of their knowledge and belief: these statements do not contain any materially untrue statement or omit any material fact or	√		
	contain statements that might be misleading; and these statements together present a true and fair view of the company's affairs and are in			
3(3)(a)(ii)	compliance with existing accounting standards and applicable laws;	√		

Condition No.	Title	Compli	ance Status	Remarks
Condition No.		Complied	Not Complied	Remarks
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	√		
3(3)(c)	violation of the code of conduct for the company 's Board or its members; The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	V		
4	Board of Directors ' Committee	V		<u> </u>
•	For ensuring good governance in the company, the Board shall have at least following sub-		1	
	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	√		
5(1)(c)	within the business; The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
F(2)	Constitution of the Audit Committee.			
5(2)		1	1	
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members; The Board shall appoint members of the Audit Committee who shall be non-executive directors of	√		
5(2)(b)	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;	√		
E(2)()		1		
5(2)(e) 5(2)(f)	The company secretary shall act as the secretary of the Committee; The quorum of the Audit Committee meeting shall not constitute without at least 1 (one)	√ √		
3(2)(1)	independent director.	٧		
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	√		
5(5)(d)	Compliance Report; oversee hiring and performance of external auditors;	√	+	
5(5)(a) 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		ance Status	Remarks
		Complied	Not Complied	Hemans
5(6)	Reporting of the Audit Committee			
5(6)(a) 5(6)(a)(i)	Reporting to the Board of Directors	- 1	1	
5(6)(a)(ii)	The Audit Committee shall report on its activities to the Board. The Audit Committee shall immediately report to the Board on the following findings, if any:	√	1	
5(6)(a)(ii)(a)	report on conflicts of interests;			N/A
	suspected or presumed fraud or irregularity or material defect identified in the internal audit and			IN/A
5(6)(a)(ii)(b)	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.	V		
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	√		
6(1)(b)	of the Board; 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; The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas			
6(1)(c) 6(2)	stated at the condition No.6(5)(b). Constitution of the NRC	√		
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	\checkmark		
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) 6(2)(e)	The Board shall have authority to remove and appoint any member of the Committee; 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;	V		
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) 6(4)(a)	Meeting of the NRC The NRC shall conduct at least one meeting in a financial year;	√	1	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		
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	Complia	nce Status	Remarks
		Complied	Not Complied	nemarks
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	$\sqrt{}$		
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	V		
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;	\checkmark		
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;	$\sqrt{}$		
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.	V		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

Overview 2022-2023

Let us present before you a short review on the total operational and financial performance of your company from 01 July 2022 to 30 June 2023. Among others, the major areas, of our business in last year were:

Industry Outlook

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

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

Bangladesh has already achieved USD 46.99 Billion export mark in garment sectors.

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

Accounting Policies And Changes

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-115)

FY 2022-2023 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, 2023. 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 2022-2023 (Million)	% of Revenue	% Growth	FY 2021-2022 (Million)	% of Revenue
Revenue from Operations	2,794.57	100	(12.66)	3,199.68	100
Earnings before interest, tax, depreciation and amortization (EBITDA) (before other Income)	407.94	14.60	21.77	335.04	10.47
Profit Before Tax (PBT)	197.23	7.06	4.59	188.58	5.89
Profit After Tax (PAT)	153.25	5.48	7.53	165.73	5.18
Earnings Per Share (EPS)-in BDT	2.15			2.33	
Net Assets Value (NAV)	26.13			25,58	
Net Operating Cash Flow Per Share (NOCFPS)	(8.97)			8.97	

Cost Of Goods Sold (COGS)

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

Gross Profit Margin Ratio

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

Gross Profit = (Sales-Cost of Goods Sold)

The Gross Profit margin is one indicator to diagnose

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

Gross Profit Margin % = (Gross Profit ÷ Sales) X 100 During the reporting period of 12 months from 01 July 2022 to 30 June 2023, Gross Profit Margin was 19.86% against 15.52% from 01 July 2021 to 30 June 2022. Gross profit has increased as the price of raw material was lower in this period due to improved inventory balancing, enhanced management of raw material procurement & other cost control measures.

Net Profit Margin Ratio

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

Net Profit= Gross Profit-Expenses with Tax & WPPF & WF The Net Profit Margin Ratio is 5.48% against 5.18% in the previous twelve months. In this period Company has earned net profit of Tk. 153.25 million.

Last 5 Years Financial Results

The summarized operational and financial performances are presented below:

Last 5 Years' Key Operating and Financial Performance

Amount in BDT

Particulars	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Revenue	2,794,569,748	3,199,681,329	2,217,942,652	1,922,326,909	2,302,159,637
Gross Profit	555,024,234	496,703,842	424,624,094	422,675,837	418,004,019
Profit before WPPF &Tax	207,613,436	198,510,645	185,868,514	181,463,361	180,605,877
Profit after WPPF &Tax	153,252,545	165,725,402	156,945,148	144,679,379	138440217
Earnings Per Share (EPS)	2.15	2.33	2.20	2.18	2.20
Shareholders' Equity	1,860,122,810	1,820,762,043	1,761,810,181	1,654,527,148	1,572,910,769
Current Liabilities	2,275,553,891	2,582,244,823	1,820,561,155	1,510,242,105	1,417,325,234
Non Current Liabilities	243,582,292	244,789,178	179,267,520	146,125,621	287,926,972
Addition to Fixed Assets & CWIP	15,371,140	87,113,736	154,890,122	13,830,563	35,179,286
NAV Per Share	26.13	25.58	24.75	24.99	24.94
Net Operating Cash Flow Per Share (NOCFPS)	(8.97)	8.97	6.58	8.12	2.02

COMPARATIVE FINANCIAL PERFORMANCE BETWEEN KDS ACCESSORIES LTD & PEER COMPANIES

Particulars	KDS Accessories Limited (Audited till 30 June 2023)	Tosrifa Industries Limited (Un-audited till 31 March 2023)	Olympic Accessories Limited (Un-audited till 31 March 2023)
Revenue	2,794,569,748	3,548,182,941	45,850,660
Gross profit (in Taka)	555,024,234	375,651,387	-66,256,412
Gross Profit (in %)	19.86%	10.59%	-144.50%
Net Profit/(Loss) before WPPF & taxes (in Taka)	207,613,436	117,438,127	-171,753,938
Net Profit/(Loss) before WPPF & taxes (in %)	7.43%	3.31%	-374.59%
Net Profit/(Loss) after WPPF & taxes (in Taka)	153,252,545	66,690,509	-189,006,446
Net Profit/(Loss) after WPPF & taxes (in %)	5.48%	1.88%	-412.22%
EPS	2.15	0.98	-1.11
NAV Per share	26.13	30.68	12.27
NOCFPS	-8.97	7.73	0.03

Risk And Concerns

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

Forward-looking Statements

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



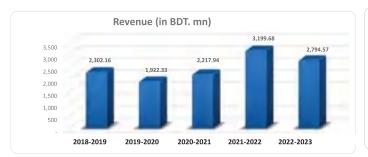
Debasis DaspalChief Executive Officer

Amount in BDT.(Million)

Particulars	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Assets Employed					
Non Current Assets	1,207.47	1,291.25	1,308.18	1,267.65	1,371.33
Net Current Assets	896.24	774.30	632.90	533.00	489.51
Total Assets Employed	2,103.71	2,065.55	1,941.08	1,800.65	1,860.84
Et according					
Financed by	711.82	711.82	711.82	662.16	630.63
Share Capital Share Premium	120.00	120.00	120.00	120.00	120.00
Revaluation Reserve	214.39	214.39	214.39	214.39	214.39
Retained Earnings	813.91	774.55	715.59	657.97	607.89
Shareholders' Equity	1,860.12	1,820.76	1,761.81	1,654.53	1,572.91
Long Term Borrowings	82.56	101.68	46.31	14.61	167.83
Defined benefit obligations - Gratuity	137.30	119.46	103.34	90.80	76.08
Deferred Tax Liabilities	23.73	23.66	29.61	40.72	44.01
Total Capital Employed	2,103.71	2,065.55	1,941.08	1,800.65	1,860.84
Operational Result					
Revenue	2,794.57	3,199.68	2,217.94	1,922.33	2,302.16
Gross Profit	555.02	496.70	424.62	422.68	418.00
Profit from Operations	318.58	243.88	213.80	237.25	225.58
Profit before Interest, Taxes & Depreciation	407.94	335.04	302.41	330.62	321.58
Profit before Income Tax	197.23	188.59	176.58	172.39	171.58
Profit after Income Tax	153.25	165.73	156.95	144.68	138.44
Financial Ratios					
Gross Profit Ratio - %	19.86%	15.52%	19.14%	21.99%	18.16%
Net Profit Ratio - %	5.48%	5.18%	7.08%	7.53%	6.01%
EBITDA Margin to Sales - %	14.60%	10.47%	13.63%	17.20%	13.97%
Return on Shareholders Equity - %	8.24%	9.10%	8.91%	8.74%	8.80%
Return on Capital Employed - %	7.28%	8.02%	8.09%	8.03%	7.44%
Current Ratio - Times	1.39	1.30	1.35	1.35	1.35
Quick Ratio - Times	1.05	0.96	0.96	0.98	1.01
Inventory Turnover Ratio - Times	2.72	3.46	2.83	2.89	3.32
Assets Turnover Ratio - Times	0.62	0.76	0.63	0.58	0.66
Debt Equity Ratio - Times	1.35	1.55	1.14	1.00	1.08
Interest Coverage Raito - Times	1.72	3.97	11.79	3.08	3.42
Price/Earning (P/E) Ratio - Times	35.76	25.77	22.41	17.67	26.28
	333				
Earning Per Share (EPS) - Taka*	2.15	2.33	2.20	2.18	2.20
Net Operating Cash Flow Per Share (NOCFPS) - Taka	(8.97)	8.97	6.58	8.12	2.02
Dividend Per Share (DPS) - Taka	1.00	1.60	1.50	1.50	1.50
Net Assets Value (NAV) Per Share - Taka	26.13	25.58	24.75	24.99	24.94
Market Price per share as on 30 June - Taka	77.00	60.00	49.40	38.60	57.70
Market Capitalization at 30 June - Taka (mn)	5,481.04	4,270.94	3,516.41	2,555.94	3,638.74
market Supranzation at 00 vario Taka (mm)	0, 101.04	1,210.04	0,010.71	2,000.04	0,000.14

^{*}Total number of shares 7,11,82,361 is considered to calculate EPS.

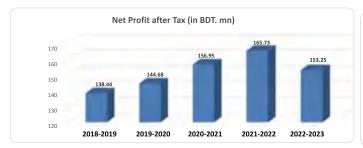












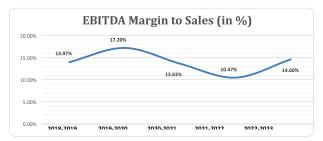


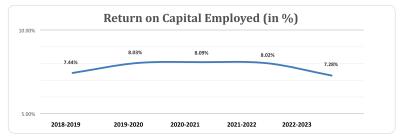












ANNEXURE - G

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 discloser of related party transactions is presented below:

SI No.	Name of Related Parties	Relationship	Nature of Transactions	Balance as on 01 July 2022	Transaction during the year (Net)	Balance as on 30 June 2023
01	KDS Fashion Limited	Common Directorship	Receivable Against Sales	96,913,638	(1,619,403)	95,294,235
02	KDS Garments Industries Limited	Common Directorship	Receivable Against Sales	54,560,385	(27,605,835)	26,954,550
03	KDS IDR Limited	Common Directorship	Receivable Against Sales	130,842,360	23,491,305	154.333,665
04	KDS Poly Industries Limited	Common Directorship	Short Term Loan	58,844,458	9,246,239	68,090,697
05	KDS Thread Limited	Common Directorship	Short Term Loan	455,676,515	339,151,735	794,828,250

SHAREHOLDING PATTERN

ANNEXURE - H

AS ON 30 JUNE 2023

a) Shareholding Pattern of the Company as on 30 June 2023 was as below:

Name/Particulars of Shareholders	Number of Shares	% of total Shareholding
i) Directors & Sponsors		
Mr. Khalilur Rahman	30,599,237	42.99%
Mr. Salim Rahman	10,030,344	14.09%
Ms. Tahsina Rahman	2,736,475	3.84%
KDS Garments Industries Limited Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA	1,431,917	2.01%
Ms. Hasina Iqbal	734,389	1.03%
Ms. Tahmina Rahman	433	0.00%
Total of Directors & Sponsors	45,532,795	63.97%
ii) General Public	17,730,072	24.91%
iii) Institutions	7,919,494	11.13%
Grand Total (i+ii+iii)	71,182,361	100.00%

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

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

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

Name	Relation	No. of Shares Hold
Mr. Khalilur Rahman	Chairman	30,599,237
Mr. Salim Rahman	Managing Director	10,030,344
Ms. Tahsina Rahman	Director	2,736,475
KDS Garments Industries Limited Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA	Director	1,431,917
Professor Sarwar Jahan	Independent Director	=
Ms. Hasina Iqbal	Sponsor	734,389
Ms. Tahmina Rahman	Sponsor	433
Mr. Debasis Daspal	CEO	340
Mr. Biplob Kanti Banik FCA	CFO	-
Mr. Mohammad Ilias	Company Secretary	-
Mr. H M Morshed Jahan	Incharge, Internal Audit & Compliance	-

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

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

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

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

DIRECTORSHIP IN OTHER COMPANIES

	Name of the Directors				
Name of Companies	Mr. Khalilur Rahman	Mr. Salim Rahman	Ms. Tahsina Rahman	KDS Garments Industries Limited (Represented by Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA	Professor Sarwar Jahan
KDS Garments Industries Limited	Chairman	Managing Director	-	-	-
KDS Apparels Limited	Chairman	Managing Director	-	-	-
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	Chairman	Director	-	-
Steel Accessories Limited	Chairman	Managing Director	-	-	-
SKYS Securities Limited	Chairman	Managing Director	-	-	-
Pragati Life Insurance Limited	Chairman	-	-	-	-
Pragati Insurance Limited	Director	-	-	-	-
National Bank Limited	Director	-	-	-	-
AIBL Capital Market Services Limited	Chairman	-	-	-	-

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 curren-Cy.

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 guarter 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

FOR THE PERIOD FROM JULY 2022 TO JUNE 2023

The Audit Committee of KDS Accessories Limited is pleased to submit the following report on the activities of year 2022-2023:

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

The Committee

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

Sl. No.	Name of Members	Designation	Position
01	Professor Sarwar Jahan	Independent Director	Chairman
02	Ms. Tahsina Rahman	Director	Member
03	KDS Garments Industries Limited Represented by-Mr. Kamrul Hasan Siddiqui FCA, ACMA (UK), CGMA	Director	Member
04	Mr. Mohammad Ilias	Company Secretary	Member Secretary

Terms of References

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

Role of Audit Committee

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

- (a) Oversee the financial reporting process.
- (b) Monitor choice of accounting policies and principles.
- (c) Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report.
- (d) Oversee hiring and performance of external auditors.
- (e) Hold meeting with the external or statutory auditors for review of the annual Financial Statements before submission to the Board for approval or adoption.

- (f) Review along with the management, the guarterly and half yearly & annual Financial Statements before submission to the Board for approval.
- (g) Review the adequacy of internal audit function.
- (h) Review the Management's Discussion and Analysis before disclosing in the Annual Report.
- (i) Review statement of all related party transactions submitted by the management.
- (j) Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.
- (k) Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors.

Activities of the Audit Committee for the year under report

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

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

Analysis before disclosing in the Annual Report.

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

Appointment of Auditors

The Audit Committee has recommended the Board to re-appoint existing external auditor of the Company Hussain Farhad & Co, Chartered Accountants, having its office at Yunusco City Centre (9th Floor), 807, CDA Avenue, Nasirabad, Chattogram-4100, Bangladesh as company's statutory/external auditor for the accounting year from 01 July 2023 to 30 June 2024.

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

On behalf of the Audit Committee

Professor Sarwar Jahan

Samonfolion

Independent Director & Chairman of the Committee

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE [NRC]

For the period from July 01, 2022 to June 30, 2023

The Nomination and Remuneration Committee (NRC) of KDS Accessories Limited is pleased to submit the following report on the activities for the financial year 2022-2023.

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

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

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

Terms of Reference

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

Role of the NRC

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

make report with recommendation to the Board:

- (i) formulation the criteria for determining qualification, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
- (b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- (ii) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background.
- (iii) identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board:
- (iv) formulating the criteria for evaluation of performance of independent director (s) and the Board
- (v) identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- (vi) developing, recommending and reviewing annually the company's human resources and training policies;

Meeting of NRC:

During this reporting period, one NRC meeting was held. The NRC of KDS Accessories Limited carried out the following activities during the year 2022-23.

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

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

- 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 plant 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.

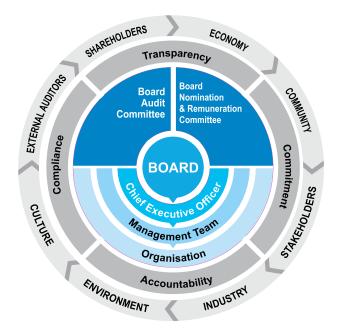
Sawayshan

Professor Sarwar Jahan

Chairman

of Nomination and Remuneration Committee & Independent Director

CORPORATE GOVERNANCE REPORT



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

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

and a code of conduct in business dealings.

Board of Directors

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

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

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

Audit Committee

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

Audit Committee holds regular meetings on the following major issues:

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

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

Nomination and Remuneration Committee (NRC):

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

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

Chairman of the Board, Managing Director & CEO

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

Directors' Report to Shareholders

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

Chief Financial Officer, Company Secretary and Head of Internal Audit

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

Internal Audit and Control

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

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

External Auditors

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

Key Management Committee

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

Certification on the Compliance of Corporate Governance Code of BSEC

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

DIVIDEND DISTRIBUTION POLICY

BACKGROUND AND APPLICABILITY

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

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

DEFINITION

Dividend

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

Final Dividend

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

Interim Dividend

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

OBJECTIVES

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

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

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

PARAMETERS FOR DECLARATION OF DIVIDEND

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

· Financial Parameters

- Availability of profits;
- Financial feasibility of the Company;
- Favorable debt equity ratio;
- Company's liquidity position and future cash flow requirements for operations;
- Profits earned during the financial year;
- Profit growth.

· Internal Factors

- Growth rate of past earnings;
- Growth rate of predicted profits;
- Earnings stability;
- Accumulated reserves;
- History of dividends distributed by the Company;
- Working capital requirements;
- Mergers and acquisitions.

• External Factors

- Shareholders' expectations;
- Macroeconomic and business conditions;
- Sectorial performance;
- Cost and availability of alternative sources of financing;

- Industry outlook for the future years;
- Changes in the government policies or changes in regulatory provisions;
- Other relevant factors that the Board may deem fit.

· Utilisation of retained earnings

- The Company may utilize its retained earnings in the manner which is beneficial to the interest of the Company and its stakeholders. Retained earnings helps in maintaining a healthy capital adequacy ration and supports the future growth.
- Acquisition/diversification of business;
- Capital expenditure requirements;
- Investment in new business and/or additional investment in existing business;
- Market of Product development/expansion plan;
- Increase in production capacity;
- Expansion and modernization of existing business;
- High cost of debt.

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

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

· Entitlement of Dividend

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

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

DISCLOSURES

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

MODIFICATION OF THIS POLICY

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

DISCLAIMER

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

Unclaimed Dividend

Particulars	Amount in Taka
Cash Dividend for the year 2021-2022	174,354.00
Cash Dividend for the year 2020-2021	530,265.00
Cash Dividend for the year 2019-2020	115,840.00
Total at 30 June 2023	820,459.00





Value Added Statement

Value Added:

Revenue & Other Income

Less: Paid to suppliers for materials & other services

Distribution as follows:

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

Finance Provider

Duty, Taxes & Other related expenses

Retained for Re-Investment & Future Growth

Depreciation

Retained Profit

2022 - 2023 Amount in Tk.	%	2021 - 2022 Amount in Tk.	%
2,794,569,748		3,206,714,393	
2,029,737,822		2,515,660,740	
764,831,926		691,053,654	
346,511,554	45%	339,050,251	49%
73,570,002	10%	52,405,750	8%
91,756,993	12%	32,785,243	5%
511,838,549	67%	424,241,244	61%
99,740,832	13%	101,087,008	15%
153,252,545	20%	165,725,402	24%
252,993,377	33%	266,812,410	39%
764,831,926	100%	691,053,654	100%





2022 - 2023

2021 - 2022



Bureau Veritas Certification

KDS ACCESSORIES LIMITED

191-192, BAIZID BOSTAMI ROAD NASIRABAD I/A, CHATTOGRAM-4210, BANGLADESH

Bureau Veritas Certification Holding (BVCH) certifies that the company has implemented a FSCTM product groups control system according to the Forest Stewardship CouncilTM certification system, in the following location and complies with the requirements of: Standard

FSC Chain of Custody Certification standard, Ref.: FSC-STD-40-004 V3-1 Additional FSC standard(s): FSC CoC Certification of Multiple Sites standard, Ref.: FSC-STD-40-003 V2.1

For its activities concerning:

Printing, Manufacturing, and sales of packaging of paper, adhesive labels, advertising materials and other printed materials used as apparel packaging accessories, certified FSC Mix, FSC Recycled and FSC Controlled Wood.

* Updated list of products & species on the FSC database (info.fsc.org)

Type of certification: Multi-Site

Original certification date: 20/02/2019 Date of certification start date: 20/02/2019 Expiration date: 19/02/2024

FSC Certificate code: BV-COC-146228/BV-CW-146228 Certificate No./Version: BD000051/4 Contract No.: 4309262

Issue date: 16/05/2023

Nicolas MEY Signed on behalf of BVCH

The validity of this certification shall be verified on: into fac.org. This certificate itself does not constitute evidence that a particular product supplied the certificate holder is FSC-certified or FSC Controlled Wood. Products offered, shipped or sold by the certificate holder can only be considered owned by the scope of this certificate when the required FSC claim is claimly stated on salas and delivery documents.

Bureau Verifica Certification Holding — It, cours du Trangle – 1920 O'Puleaux – Prancy : www.bureauverifica.com Certification celoide — It cours du Trangle – 19200 Puleaux – Prancy : www.bureauverifica.com Certification celoide Certification China, Sono Certification China, Sono 2,9 FF, West Office Building 1, O'Restal Economic and Trade Plaza, Not 1 East Changle Steve, Designeeg District, Beiging & RC. 100736 Certification (Inc. Desire Vetera Vetera) Certification Beigingsien

A list of the products or services that are included in the scope of the certificate may be obtained on request to BVCH. This certificate may be obtained on request to BVCH. All copies or reproductions and the certificate itself shall be returned or contributes not in Clingsha we for reference only.







Bureau Veritas Certification

5. Monitoring

PARTICIPATING SITE	ADDRESS	ADDITIONAL INFORMATION Scope, sub-code, and date of integration in the scope
KDS Accessories Limited (Central Office)	191-192, Baizid Bostami Road Nasirabad I/A, Chattogram-4210, Bangladesh	Printing, Manufacturing, and sal of packaging of paper, adhesiv labels, advertising materials an other printed materials used as apparel packaging accessories certified FSC Mix, FSC Recycle and FSC Controlled Wood.
KDS Accessories Limited	191-192, Baizid Bostami Road Nasirabad I/A, Chattogram-4210, Bangladesh	Printing, Manufacturing, and sal of packaging of paper, adhesiv labels, advertising materials an other printed materials used as apparel packaging accessories certified FSC Mix and FSC Recycled.
KDS Accessories Limited- Unit-02	6, West Dogory, Mirzapur Gazipur Sadar, Dhaka Bangladesh	Printing, Manufacturing, and sal of packaging of paper, adhesiv labels, advertising materials an other printed materials used as apparel packaging accessories certified FSC Mix and FSC Recycled.





(m)





Certificate

OEKO-TEX® STANDARD 100

KDS Accessories Ltd. (Unit 2)

is granted the OEKO-TEX* STANDARD 100 certification and the right to use the trademark.

SCOPE
Woven labels made of 100 % polyester, white and yarn-dyed as well as pigment printed label on white 100 % cotton from 500 polyester soft in those and off-white 100 % cotton from 10 bon as well as heat transfer labels pigment printed on PET fall for application on garments; partly produced by using material certified according to DERO-TEX® STANDARD 100 and ECO PASSPORT.

PRODUCT CLASS



This certificate 08.KA.58544 is valid until 31.05.2024.





- SUPPORTING DOCUMENTS

 V Test report: 23.1046764

 Declaration of conformity in accordance with EN ISO 17050-1 as required by OEKO-TEX'

 OEKO-TEX' Terms of Use (ToU)



CCPB srl Viale Masini, 36 - 40126 Bologna (Italy)
Tel. 0516089811 fax 051234642 e-mail ccpb@ccpb.it
CCPB srl, Registro Imprese BO, CF e P.IVA 02469721209, REA n. 441832, Capitale Sociale € 705.920 i.v.
PRODUCT CERTIFICATION BRANCH.

SCOPE CERTIFICATE

Scope Certificate Number CB-CPB-00053316-RCS-2023

CCPB srl certifies that

KDS Accessories Ltd. (Unit-2)

License Number CCPB 00053316
Formerly: SC No. CCPB/Q019/RCS/TB
6 No. Dogory, Vawal Mirzapur, Gazipur 1703
Dhaka (BD-C) / Bangladesh (BD)

has been audited and found to be in conformity with the

Recycled Claim Standard (RCS) Version 2.0

Product categories mentioned below (and further specified in the product appendix) conform with

this standard(s): Functional Accessories (PC0017)

Process categories carried out under responsibility of the above mentioned company for the certified products cover.

Manufacturing (PR0016), Finishing (PR0012), Packing (PR0020), Molding (PR0018)

This certificate is valid until: 2024-04-12 Audit criteria: Recycled Claim Standard Version 2.0; Content Claim Standard V3.1; Textile Exchange Standards Claims Policy V1.2

Place and Date of Issue Bologna, 2023-04-13 Last Updated : 2023-04-13 Certification Body







Name of the authorised person Lorenzo Pileri

Certification Body Licensed by: Textile Exchange; Licensing Code; CB-CPB Certification Body Accredited by: IOAS; Accreditation Number: 28 Inspection Body: CCPB srl

This acope certificate provides no proof hat any goods delivered by its holder are RCS certified. Proof of RCS certification of goods designed provided by a walf to the proof of the proof

Certificate

OEKO-TEX® STANDARD 100

KDS Accessories Ltd. (Unit 2)

is granted the OEKO-TEX* STANDARD 100 certification and the right to use the trademark.

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



This certificate 13.HBD.34906 is valid until 31.01.2024.

- SUPPORTING DOCUMENTS

 ✓ Test report: 23.0.52722

 ✓ Declaration of conformity in accordance with EN ISO 17050-1 as required by OEKO-TEX'

 ✓ OEKO-TEX' Terms of Use (ToU)

Schoon



CCPB srl Viale Masini, 36 - 40126 Bologna (Italy) Tel. 051/8089811 fax 051/254842 e-mail ccpb@ccpb.it CCPB srl, Registro Impress BD, CF e P.I/N 02469721209, REA n. 441882, Capitale Sociale € 705.920 i.v PRODUCT CERTIFICATION BRANCH.

SCOPE CERTIFICATE

Scope Certificate Number CB-CPB-00053316-GRS-2023

CCPB srl certifies that

KDS Accessories Ltd. (Unit-2)

License Number CCPB 00053316 6 No. Dogory, Vawal Mirzapur, Gazipur 1703 Dhaka (BD-C) / Bangladesh (BD)

has been audited and found to be in conformity with the

Global Recycled Standard (GRS) Version 4.0

Product categories mentioned below (and further specified in the product appendix) conform with this standard(s):

Functional Accessories (PC0017)

Process categories carried out under responsibility of the above mentioned company for the certified products cover:

Packing (PR0020), Weaving (PR0033), "Preparatory (PR0022), "Printing (PR0023), Molding (PR0018), Finishing (PR0012), Manufacturing (PR0016)

"The processes marked with an asteriak may be carried out by subcontractors.

This certificate is valid until: 2024-04-12 Audit criteria: Global Recycled Standard Version 4.0; Content Claim Standard V3.1; Textile Exchange Standards Claims Policy V1.2 Certification Body

Place and Date of Issue Bologna, 2023-04-11 Last Updated : 2023-04-11



Name of the authorised person Lorenzo Pileri

Certification Body Licensed by: Textile Exchange; Licensing Code: CB-CPB Certification Body Accredited by: IOAS; Accreditation Number: 28 Inspection Body: CCPB srl

This scope certificate provides no proof that any goods delivered by its holder are GRS certified. Proof of GRS certified inverse is provided by a valid transaction certificate (TC) or equivalent covering them.

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This electronically issued document is the valid original version. This electronic document is issued by CCPB Srl and digitally signed. The validity is guaranteed by the digital signature. Any subsequent change invalidate the document. Lecense number CPP 00053316 page 17.



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 mean that your factory has substantially completed the initial Corrective Action Plan (CAP) and currently is in good standing with respect to required training. This also represents the starting point for creating a sustainable culture of safety within

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

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	25 September 2017

The CAP Closure verification visit results apply to of KDS Accessories Ltd. (PKG) FFC ID 9441 as it currently

Building Area (sq.	1. Building-01 (Office Building): 22,498 sq. ft.
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	1. Building-01 (Office Building): 57'-0"
(ft.)	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	1. Building-01 (Office Building): 5-Storied RCC building
(Material)	Building-02 (Packaging Warehouse Building): 3-Storied RCC building
(3. Building-03 & Building-04 (Packaging Building): 4-Storied RCC building
	4. Building-05 (HR Building): 2-Storied RCC building
	5. Building-06 & Building-07 (Thread & Store Building): 2-Storied RCC building
	6. Shed-01A (Packaging Store): Single Storied Shed
	7. Shed-01B (Packaging Store): Single Storied Shed
	8. Shed-02A (Boiler Shed): Single Storied Shed
	9. Shed-02B (Warehouse Shed): Single Storied Shed
	10. Shed-03 (Packaging Shed): Single Storied Shed
	11. Shed-04 (Utility Shed): Single Storied Shed
	12. Shed-06 (Thread Production Shed): Single Storied Shed
	13. Shed-07 (Storage Shed): Single Storied Shed
Occupancy	Industrial building (G2)
Description	

The CAP Closure Verification Visit of KDS Accessories Ltd. (PKG) FFC ID 9441 revealed that all NC's listed

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,



Deputy Director & CSO Alliance for Bangladesh Worker Safety









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 2023, 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 2022 to 30 June 2023, 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 2023 and of its financial performance and cash flows for the period from 1 July 2022 to 30 June 2023 and comply with the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations.

Basis of opinion

We conducted our audit in accordance with International 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 2023. 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.

1.	IAS-2 Inventory	How our audit addressed the key audit matter
	The Company has closing inventory BDT 782.22 million.	 Verified a sample of inventory items to ensure that costs have been appropriately recorded.
	Inventory is carried in the financial statements at the lower of cost and net realisable value.	• 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.



1.	IAS-2 Inventory (Continued)	How our audit addressed the key audit matter
		• Performed cut-off tests to determine that the purchases and sales of
	realisable value involves the use of judgement and assumptions that may vary depending on technological and socio-economical conditions and is therefore considered a significant key audit matter. Please refer to note 3.05 and 9 to the financial statements.	 the inventories have been captured in the correct accounting period. Confirmed physical existence and completeness by performing annual physical inventory on a sample basis.
2	IFRS-15 Revenue Recognition	How our audit addressed the key audit matter
2.		
	Appropriateness of revenue recognition and disclosures has significant and wide influence on financial statements. As described in the accounting policy note 3.15 to the financial statements, the company recognises revenue upon transfer of control as per IFRS 15 – Revenue from Contracts with Customers. The company has reported total revenue of BDT 2,794.57 million. Refer to note 25 to the financial statements. This material item is subject to considerable inherent risk due to the complexity and identifying revenue and the high number of transactions from which revenue is being recognised. Against this background, the proper application of the accounting standards is considered to be complex and assumptions made by management.	 Performed walkthrough test to understand the adequacy and the design of the revenue cycle. Assessed the invoicing and measurement systems up to entries in the general ledger. Examined customer contracts, invoices and receipts of payment on a test basis. Conducted analytical procedures such as trend analysis, ratio analysis, and variance analysis on a sample basis. Obtained and reviewed supporting documents for sales transactions recorded. Tested the timing of revenue recognition as well as cut off checked. Tested the revenue charging model against the regulatory guidelines and accounting standards, on a sample basis.
3.	IAS-24 Identification and completeness of	Assessed whether the sufficient disclosure has been given.
٥.	disclosure of related party transactions	How our audit addressed the key audit matter
	We determined the identification and completeness of disclosure of related party transactions as set out in respective notes to the financial statements as a key audit matter due to high volume of business transactions with related parties during the year ended 30 June 2023.	recording of related party transactions including how management determines all transactions/ balances with related parties are determined at arm's length and entered into in the normal course of
3.	IAS-24 Identification and completeness of	How our audit addressed the key audit matter
	disclosure of related party transactions Refer to note 13 and 37 to the financial statements.	We tested, on a sample basis, related party transactions with the underlying documents and for authorization and approval for such transactions. We have obtained belong coefficient in from the calculation and parties.
		We have obtained balance confirmation from the related parties.



3.	IAS-24 Identification and completeness of disclosure of related party transactions	How our audit addressed the key audit matter
		 We read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with transaction with related parties effected during the year. We have recalculated interest on due balance to confirm during the year's interest income.
		• Evaluated the completeness of the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.

Reporting on other information

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

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

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

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

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

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

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

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

Auditors' responsibilities for the audit of the financial statements

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



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

- 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
- (c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

Other Matter:

The financial statements of the Company for the year ended 30 June 2022 were audited by Hoda Vasi Chowdhury & Co Chartered Accountants and issued unqualified opinion on 4 October 2022.



Report on other legal and regulatory requirements

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

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

Firm Name : Hussain Farhad & Co., Chartered Accountants

Registration No. : 4/452/ICAB-84

Signature of the auditor

Name of the auditor : AKM Fazlul Haque FCA, Partner/ICAB Enrollment No: 1090

FRC Enrollment No: CA-001-111

DVC No. Z210231090AS716759

: Chattogram Place

2 3 DCT 2023 Date



KDS ACCESSORIES LIMITED Statement of Financial Position

Δs	at	30	June	2023

		30 June 2023	30 June 2022
	Note(s)	Taka	Taka
ASSETS	·		
Non-current Assets			
Property, plant and equipment	4	1,170,535,016	1,230,753,540
Intangible assets	5	438,520	94,880
Capital work-in-progress	6	1,105,171	25,146,785
Investment in SKYS Securities Limited	7	30,377,066	30,377,066
Other investment	8	5,013,936	4,880,832
Total Non-current Assets		1,207,469,709	1,291,253,103
Current Assets			
Inventories	9	782,223,348	866,281,364
Trade receivables	10	1,417,250,223	1,614,767,904
Other receivables	11	375,233	298,495
Advances, deposits and prepayments	12	87,806,414	88,234,598
Due from affiliated companies	13	862,918,947	514,520,973
Short term investment	14	2,374,677	2,300,000
Cash and cash equivalents	15	18,840,442	270,139,607
Total Current Assets		3,171,789,284	3,356,542,941
Total Assets		4,379,258,993	4,647,796,044
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital	16	711,823,610	711,823,610
Share premium	10	120,000,000	120,000,000
Revaluation reserve		214,391,703	214,391,703
Retained earnings		813,907,497	774,546,730
Total Shareholders' Equity		1,860,122,810	1,820,762,043
Non-current Liabilities			2,020,702,013
Long term borrowings-non-current portion	17.01	82,556,471	101,676,544
Defined benefit obligation- gratuity	18	137,297,430	119,456,593
Deferred tax liability	19	23,728,391	23,656,041
Total Non-current Liabilities	13	243,582,292	244,789,178
		243,302,232	244,703,270
Current Liabilities	20	1,137,795,473	2 250 425 922
Trade and other payables	17.01		2,359,435,822
Long term borrowings-current portion Unclaimed Dividend	21	33,422,964 820,459	33,870,307 861,655
Provision for Income Tax	22	54,281,545	,
Short term bank loan	22		39,094,407
Provision for WPPF and Welfare Fund	23 24	958,350,954 90,882,496	76,098,256 72,884,376
Total Current Liabilities	24	2,275,553,891	2,582,244,823
Total Equity and Liabilities		4,379,258,993	4,647,796,044
• •	22.22		
Net Assets Value Per Share	33.03	26.13	25.58

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

Chairman

Managing Director

Signed in terms of our annexed report of same date

Place : Chattogram

Dated : 2 3 0CT 2023

Z210231090AS716759 DVC

Hussain Farhad & Co. **Chartered Accountants**

Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2023

		01 July 2022	01 July 2021
		to 30 June 2023	to 30 June 2022
	Note(s)	Taka	Taka
Revenue	25	2,794,569,748	3,199,681,329
Cost of goods sold	26	(2,239,545,514)	(2,702,977,487)
Gross Profit		555,024,234	496,703,842
Administrative Expenses	27	(182,491,231)	(174,902,707)
Selling and distribution expenses	28	(53,953,463)	(77,917,805)
Operating Profit		318,579,540	243,883,330
Finance cost	29	(177,113,467)	(97,646,035)
Finance income	30	62,774,832	50,141,105
Profit before other income		204,240,905	196,378,400
Other Income	31	3,372,531	2,132,245
Profit before income tax and distribution of WPPF and Welfare Fund	d	207,613,436	198,510,645
Workers' Profit Participation and Welfare Fund	24	(10,380,672)	(9,925,532)
Profit before income tax		197,232,764	188,585,113
Provision for income tax:			
-Current tax	22	(43,907,869)	(28,814,331)
-Deferred tax	19	(72,350)	5,954,620
Profit after Income Tax		153,252,545	165,725,402
Other Comprehensive Income			
Items that will never be reclassified to profit or loss		-	-
Items that are or may be reclassified to profit or loss		-	-
Other Comprehensive Income - net of tax		-	
Total Comprehensive Income		153,252,545	165,725,402
Earnings Per Share (Basic)	33.01	2.15	2.33

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

Chairman

Managing Director

Signed in terms of our annexed report of same date

Place : Chattogram

2 3 DCT 2023 Dated :

Z210231090AS716758

Hussain Farhad & Co.

Chartered Accountants

Statement of Changes in Equity For the year ended 30 June 2023

Amount in Taka

Particulars	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
Balance as on 01 July 2021	711,823,610	120,000,000	214,391,703	715,594,868	1,761,810,181
Cash dividend for the year 2020-2021	-	-	-	(106,773,541)	(106,773,541)
Net Profit after tax for the year	-	-	-	165,725,402	165,725,402
Balance as at 30 June 2022	711,823,610	120,000,000	214,391,703	774,546,730	1,820,762,043
Balance as on 01 July 2022	711,823,610	120,000,000	214,391,703	774,546,730	1,820,762,043
Cash dividend for the year 2021-2022	-	-	-	(113,891,778)	(113,891,778)
Net Profit after tax for the year	-	-	-	153,252,545	153,252,545
Balance as at 30 June 2023	711,823,610	120,000,000	214,391,703	813,907,497	1,860,122,810

Chairman

Managing Director

Company Secretary



Statement of Cash Flows For the year ended 30 June 2023

	Note(s)	01 July 2022 to 30 June 2023 Taka	01 July 2021 to 30 June 2022 Taka
A. Operating activities			
Received from customers		3,086,559,689	2,781,700,082
Received from other sources		3,364,532	3,873,713
Paid to suppliers		(3,514,949,012)	(1,896,970,669)
Paid for operating expenses		(169,891,361)	(207,946,416)
Cash provided by/(used in) by operations	32.00	(594,916,152)	680,656,712
Interest paid (net)		(10,871,908)	(2,260,346)
Income Tax Paid		(32,462,657)	(39,734,840)
Net cash provided by/(used in) from operating activities		(638,250,717)	638,661,525
B. Investing activities			
Acquisition of property, plant and equipment		(15,371,140)	(87,113,736)
Addition to intangible assets		(464,310)	-
Proceed from sale of non-current assets		19,115	1,583,165
Increase/(Decrease) in investments		(207,781)	2,484,589
Net cash provided by/(used in) investing activities		(16,024,116)	(83,045,982)
C. Financing activities			
Dividend Paid		(113,932,974)	(106,782,674)
Receipt / (Repayment) of long term loans		(19,567,416)	72,068,981
Receipt/(Repayment) of short term borrowings		882,252,698	(368,574,211)
Short term loan Receipt/(paid) to affiliated companies		(348,397,974)	(120,630,246)
Net cash provided by/(used in) financing activities		400,354,334	(523,918,150)
D. Net increase/(decrease) of cash and cash equivalents (A-	-B+C)	(253,920,499)	31,697,395
E. Cash and cash equivalents at the beginning of the year	-	270,139,607	232,483,367
F. Effect of foreign exchange rate changes on cash and cash	equivalents	2,621,333	5,958,846
G. Cash and cash equivalents at the end of the year (D+E+F)		18,840,442	270,139,608
Net operating cash flows per share	33.04	(8.97)	8.97



Managing Director





Notes to the Financial Statements As at and for the year ended 30 June 2023

1.00 REPORTING ENTITY

1.01 Formation and Legal Status

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

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

1.02 Nature of Business

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

2.00 BASIS OF FINANCIAL STATEMENT PREPARATION AND PRESENTATION

2.01 Statement of Compliance

The financial statements have been prepared in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh as per requirements under the Financial Reporting Act 2015. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules 2020.

2.02 **Basis of Reporting**

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

- a) A statement of Financial Position as at 30 June 2023
- b) A statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023
- c) A statement of Changes in Equity for the year ended 30 June 2023
- A statement of Cash Flows for the year ended 30 June 2023
- Notes, comprising a summary of significant accounting policies and explanatory information.



2.03 Regulatory Compliances

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

- The Income Tax Ordinance 1984 & Income Tax Act 2023 a)
- b) The Income Tax Rules 1984
- c) The Value Added Tax and Supplementary Duty Act, 2012
- d) The Value Added Tax and Supplementary Duty Rule, 2016
- e) The Securities and Exchange Rules, 2020
- The Customs Act 1969 f)
- g) Bangladesh Labour Law 2006

2.04 Authorization for Issue

The financial statements were authorized for issue by the Board of Directors on 23 October 2023.

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 2020.

2.08 Going Concern

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

2.09 Reporting Period

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

2.10 Application of Accounting Standards

The financial statements have been prepared in compliance with requirement of IASs (International Accounting Standards) and International Financial Reporting Standards (IFRSs) 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 **Presentation of Financial Statements**
- IAS-2 Inventories
- IAS-7 Statement of Cash Flows
- IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS-10 Events after the Reporting Period
- IAS-12 Income Taxes
- IAS-16 Property, Plant and Equipment
- IAS -19 **Employee Benefits**
- IAS-21 The Effects of Changes in Foreign Exchange Rate
- IAS-23 **Borrowing Costs**
- IAS-24 **Related Party Disclosures**



IAS-26	Accounting and Reporting by Retirement Benefit Plans
IAS-33	Earnings Per Share
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IAS-38	Intangible Assets
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS- 13	Fair Value Measurement
IFRS- 15	Revenue from Contract with Customers
IFRS-16	Leases

2.11 Use of Estimates and Judgements

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

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only

that period, or in the period of revision and future periods if the revision affects both current and future periods.

Note: 4 Property, plant and equipment

Note: 5 Intangible assets
Note: 9 Inventories
Note: 10 Trade receivables

Note: 18 Defined benefit obligation- gratuity

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

2.12 Preparation and Presentation of Financial Statements of the Company

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

2.13 Comparative Information

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

2.14 Consistency of presentation

Unless otherwise stated, the accounting policies and methods of computation used in preparation of the financial statements as at and for the year ended 30 June 2023 are consistent with those policies and methods applied in preparing the financial statements for the year ended 30 June 2022.

3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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





3.01 Property, Plant and Equipment 3.02 Intangible Assets Capital Work-in-Progress 3.03 Investment 3.04 3.05 Inventories 3.06 Leasehold Assets 3.07 Financial Instruments 3.08 Impairment Share Capital 3.09 3.10 Revaluation Reserve **Employee Benefits** 3.11 Taxation 3.12 3.13 Loans and Borrowings Provisions, Contingent Liabilities and Contingent Assets 3.14 Revenue Recognition 3.15 3.16 Other Income 3.17 Finance Income and Cost Foreign Currency Transaction / Translation 3.18 **Related Party Transactions** 3.19 Earnings Per Share (EPS) 3.20

3.01 Property, Plant and Equipment

3.21

3.22

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

Measurement of Fair Values

Events after the Reporting Period

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

iii) Subsequent Costs and Maintenance Activities

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



iv) Revaluation of Property, Plant and Equipment

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

v) Depreciation

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

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

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

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

vi) Impairment of Assets

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

vii) Retirement and Disposals

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

3.02 Intangible Assets

i) Recognition and Measurement

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

ii) Amortization

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

iii) Subsequent Cost

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

3.03 Capital Work-in-Progress





Capital work-in-progress represents the cost incurred for acquisition and/or construction of property, plant and equipment that were not ready for use at the end of 30 June 2023 and these are stated at cost.

3.04 Investment

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

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

3.05 Inventories

i) Nature of Inventories

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

ii) Valuation of Inventories

Inventories are measured at lower of cost or net realizable value in accordance with 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>	Valuation method
i)	Raw materials	Valued at Cost or Net Realisable Value whichever is lower.
ii)	Finished goods	Valued at Cost or Net Realisable Value whichever is lower.
iii)	Goods-in-transit	Valued at Cost.
iv)	Stores and spares	Based on weighted average method.
v)	Work in process	Valued at Cost or Net Realisable Value whichever is lower.

3.06 Leasehold Assets

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

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

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

3.07 Financial Instruments

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

3.07.01 Financial Assets

The Company initially recognizes 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

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.

Trade and Other Receivables

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

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

b) **Advances, Deposits and Prepayments**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions,

adjustments or charges to other account heads such as Property, Plant and Equipment, Inventory or Expenses.

Deposits are measured at payment value.

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

c) **Cash and Cash Equivalents**

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

Available-for-sale

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

3.07.02 Financial Liabilities

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

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

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

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

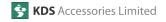
Trade and Other Payables

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

b) Interest-bearing borrowings

Interest-bearing borrowings comprise loans and operational overdraft.

3.08 Impairment



i) Financial Assets

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

ii) Non-financial Assets

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

3.09 Share Capital

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

3.10 Revaluation Reserve

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

3.11 Employee Benefits

i) Short Term Employee Benefits

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

ii) Workers' Profit Participation and Welfare Fund

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

iii) Defined Contribution Plan

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

iv) Defined Benefit Plan - Gratuity

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

3.12 Taxation

i) Current Tax

Income Tax is calculated and provision is made in accordance with IAS 12 'Income taxes'. As per SRO 170 of Income tax,KDS Accessories Limited Pays 12% tax on Business Income for being export oriented company. Besides this, the company charged tax at a rate of 20% on other income of this company.

ii) Deferred Tax



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

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

Deferred tax on revaluation surplus of lands has not been recognized in the financial statements on the ground that 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.

3.13 Loans and Borrowings

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

3.14 Provisions, Contingent Liabilities and Contingent Assets

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

3.15 Revenue Recognition

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

Specific policies regarding the recognition of revenue are as follows:

Revenue from sales of goods

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

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

3.16 Other Income

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

3.17 Finance Income and Cost

3.17.01 Finance Income

Interest income on Fixed Deposit Receipts (FDR), Short Term Deposits (STD) and amounts due from affiliated companies is

accrued on a time proportion basis by reference to the principal outstanding at the effective rate of interest applicable.

3.17.02 Finance Cost



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

3.18 Foreign Currency Transaction / Translation

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

3.19 Related Party Transactions

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

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

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

3.20 Earnings Per Share (EPS)

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

i) Basic Earnings Per Share:

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

ii) Diluted Earnings Per Share:

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

3.21 Measurement of Fair Values

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

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

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

3.22 Events after the Reporting Period

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



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 2021 Addition during the year Disposal/Adjustment during the year	431,214,704	900,281,470 137,679,871 (7,406,000)	50,817,030	454,345,966 50,217,010	30,553,174 1,027,932 (217,379)	91,840,936 5,663,776	15,075,139 1,478,965	29,257,262 3,873,275 (241,660)	68,156,088	2,071,541,769 199,940,829 (7,865,039)
Balance as at 30 June 2022	431,214,704	1,030,555,341	50,817,030	504,562,976	31,363,727	97,504,712	16,554,104	32,888,877	68,156,088	2,263,617,559
Balance as on 01 July 2022 Addition during the year Disposal/Adjustment during the year	431,214,704	1,030,555,341 26,260,460	50,817,030	504,562,976 3,894,848	31,363,727 1,164,700 (39,999)	97,504,712 4,451,430 -	16,554,104 263,003	32,888,877 848,221 (193,350)	68,156,088 2,530,092	2,263,617,559 39,412,754 (233,349)
Balance as at 30 June 2023	431,214,704	1,056,815,801	50,817,030	508,457,824	32,488,428	101,956,142	16,817,107	33,543,748	70,686,180	2,302,796,964
Accumulated depreciation										
Balance as on 01 July 2021 Charged for the year	1 1	516,285,700 60,859,410	21,676,079 1,667,937	211,722,906 23,498,604	25,436,427 1,706,586	61,700,062 7,915,179	13,865,925 788,457	28,004,311 1,131,565	58,021,979 3,232,591	936,713,389 100,800,328
Adjustment for disposal during the year		(4,199,404)	1	1	(208,637)	1	1	(241,657)	1	(4,649,698)
Balance as at 30 June 2022		572,945,706	23,344,016	235,221,510	26,934,375	69,615,241	14,654,382	28,894,219	61,254,570	1,032,864,019
Balance as on 01 July 2022	1	572,945,706	23,344,016	235,221,510	26,934,375	69,615,241	14,654,382	28,894,219	61,254,570	1,032,864,019
Charged for the year	ı	60,555,489	1,667,937	24,031,837	1,605,805	7,380,367	773,299	1,420,276	2,185,152	99,620,162
Balance as at 30 June 2023		633,501,195	25,011,953	259,253,347	28,511,294	76,995,608	15,427,681	30,121,148	63,439,722	1,132,261,948
Carrying amount As at 30 June 2022	431,214,704	457,609,635	27,473,014	269,341,466	4,429,352	27,889,471	1,899,722	3,994,658	6,901,518	1,230,753,540
As at 30 June 2023	431,214,704	423,314,606	25,805,077	249,204,477	3,977,134	24,960,534	1,389,426	3,422,600	7,246,458	1,170,535,016

30 Jun 2022 Taka	80,640,263		100,800,328
01 Jul 2022 to 30 Jun 2023 Taka	79,696,130	19,924,032	99,620,162
Allocation Basis	%08	70%	
Note(s)	26.02	27.00	



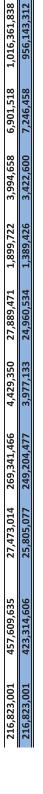
4.00 Property, plant and equipment - at revalued model

Administrative Expenses

Factory Overhead

Depreciation allocated to:

	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 2021 Addition during the year Disposal/Adjustment during the year	216,823,001	900,281,470 137,679,871 (7,406,000)	50,817,030	454,345,966 50,217,010	30,553,174 1,027,932 (217,379)	91,840,936 5,663,776	15,075,139 1,478,965	29,257,262 3,873,275 (241,660)	68,156,088	1,857,150,066 199,940,829
Balance as at 30 June 2022	216,823,001	1,030,555,341	50,817,030	504,562,976	31,363,727	97,504,712	16,554,104	32,888,877	68,156,088	2,049,225,856
Balance as on 01 July 2022 Addition during the year Disposal/Adjustment during the year	216,823,001	1,030,555,341 26,260,460	50,817,030	504,562,976 3,894,848 -	31,363,727 1,164,700 (39,999)	97,504,712 4,451,430	16,554,104 263,003	32,888,877 848,221 (193,350)	68,156,088 2,530,092	2,049,225,856 39,412,754 (233,349)
Balance as at 30 June 2023	216,823,001	1,056,815,801	50,817,030	508,457,824	32,488,428	101,956,142	16,817,107	33,543,748	70,686,180	2,088,405,261
Accumulated depreciation					!					
Balance as on 01 July 2021 Charged for the year	1 1	516,285,700 60 859 410	21,676,079	211,722,906	25,436,427	61,700,062	13,865,925	28,004,311	58,021,979	936,713,389
Adjustment for disposal during the year	İ	(4,199,404)	-		(208,637)			(241,657)		(4,649,698)
Balance as at 30 June 2022		572,945,706	23,344,016	235,221,510	26,934,376	69,615,241	14,654,382	28,894,219	61,254,570	1,032,864,020
Balance as on 01 July 2022	ı	572,945,706	23,344,016	235,221,510	26,934,376	69,615,241	14,654,382	28,894,219	61,254,570	1,032,864,020
Charged for the year	ı	60,555,489	1,667,937	24,031,837	1,605,805	7,380,367	773,299	1,420,276	2,185,152	99,620,162
Adjustment for disposal during the year	1	-		-	(28,886)	-	1	(193,347)	-	(222,233)
Balance as at 30 June 2023		633,501,195	25,011,953	259,253,347	28,511,295	76,995,608	15,427,681	30,121,148	63,439,722	1,132,261,949





As at 30 June 2022 As at 30 June 2023 Carrying amount

				_	30 June 2023	30 June 2022
				Note(s)	Taka	Taka
5.00	Intangible assets					
	Software			5.01	438,520	94,880
				=	438,520	94,880
5.01	Intangible assets schedule					
	Cost					
	Opening balance				6,735,393	6,735,393
	Add: Addition during the year				464,310	-
	Closing balance			=	7,199,703	6,735,393
	G			-	· · ·	· · ·
	Accumulated amortization					
	Opening balance				6,640,513	6,353,832
	Add: Charged during the year				120,670	286,680
	Closing balance			-	6,761,183	6,640,513
	Carrying amount			-	438,520	94,880
	carrying amount			=	430,320	34,000
6.00	Capital work-in-progress					
0.00	Opening balance				25,146,785	137,973,878
	Add: Expenditure incurred during the year			6.01	1,379,225	35,618,816
	Add. Experiartare incurred during the year			0.01	26,526,010	173,592,694
	Less: Capitalized during the year			6.01	(25,420,839)	(148,445,909)
	Closing balance			0.01	1,105,171	25,146,785
	closing balance			=	1,103,171	23,240,703
6.01	Details of capital work-in -progress					
			Additions			
	Particulars	Opening	during the	Capitalized	Balance as on	Balance as on
	. articulars	Balance	year	during the Year	30 June 2023	30 June 2022
	Factory Building	3,727,898	1,272,121	(3,894,848)	1,105,171	3,727,898
	Plant & machinery	18,033,662	107,104	(18,140,766)	-,,	18,033,662
	Electrical Equipment	3,385,225	, -	(3,385,225)	_	3,385,225
		25,146,785	1,379,225	(25,420,839)	1,105,171	25,146,785
		23,140,703	1,373,223	(23,420,033)	1,103,171	23,140,703
				=	30 June 2023	30 June 2022
				-	Taka	Taka
7.00	Investment in SKYS Securities Limited			=		
	SKYS Securities Limited				30,377,066	30,377,066
				-	30,377,066	30,377,066
				=	50,577,600	00,011,000
8.00	Other investment					
	Investment in Fixed Deposit Receipts				5,013,936	4,880,832
	·			_	5,013,936	4,880,832
		_		=		
	Name of Banks	Purpose	Period	Interest rate		
	Bank Asia Limited	Bank Guarantee	1 year	4%-6%	3,578,002	3,486,546
	Exim Bank Limited	Bank Guarantee	1-3 years	9.00%	1,435,934	1,394,286
				_	5,013,936	4,880,832
				=		
9.00	Inventories					
	Raw materials				664,794,182	665,996,119
	Work-in-process				18,870,386	30,519,075
	Finished goods				7,454,366	13,860,659
	Stores & spares				84,944,671	82,471,375
	Goods in transit			_	6,159,743	73,434,136
					782,223,348	866,281,364



9.01 Quantitative movement of raw materials and finished goods

A. Raw Materials

Product name	Unit	Opening balance	Procurement	Available for consumption	Consumption	Closing balance
Liner Paper	Kg	2,745,695	12,777,475	15,523,170	(13,108,762)	2,414,408
White Liner Paper	Kg	1,837	-	1,837	(1,837)	-
Medium Paper	Kg	2,225,275	4,400,955	6,626,230	(4,298,342)	2,327,888
Duplex Board	Kg	7,392	156,724	164,116	(96,467)	67,649
Yarn	Kg	-	287,507	287,507	(160,312)	127,195
Starch	Kg	1,305	267,500	268,805	(268,150)	655
Adhesive Powder	Kg	24,864	216,000	240,864	(240,864)	-
Art Paper	Kg	-	20,343	20,343	(20,343)	-
Chemical	Ltr	2,502	65,358	67,860	(63,322)	4,538
Resin	Kg	7,938	355,846	363,784	(284,938)	78,846
Rubber Thread	Kg	50,000	61,540	111,540	(26,688)	84,852
Transfer Flim	Kg	757	-	757	(757)	-
Printing Ink	Kg	826	18,364	19,190	(15,482)	3,708
Pigment	Kg	636	3,017	3,653	(3,207)	446
Ribbon	Kg	-	8,355	8,355	(3,655)	4,700
OPP Gum Tape	Kg	100,815	53,505	154,320	(109,213)	45,107
GPPS/PP/HIPS	Kg	65,002	107,500	172,502	(102,975)	69,527
		5,234,844	18,799,989	24,034,833	(18,805,314)	5,229,519

B. Finished goods

Product name	Unit	Opening	Production	Available	Sales	Closing
Product name	Onit	balance	Production	for sale	Sales	balance
Carton	Pcs	160,267	21,594,712	21,754,979	(21,701,799)	53,180
Label	Pcs	152,665	59,660,775	59,813,440	(59,660,775)	152,665
Elastics and Narrow Fabrics	Yards	767,539	21,895,399	22,662,938	(22,595,752)	67,186
Offset Printing	Pcs	486,207	53,135,153	53,621,360	(53,598,910)	22,450
Heat Transfer Printing	Pcs	2,830	4,277,042	4,279,872	(4,279,872)	-
Button	GG	-	256,496	256,496	(256,496)	-
Gum Tape	Rolls	-	543,888	543,888	(543,888)	-
Hanger	Pcs	295,305	9,520,911	9,816,216	(9,747,122)	69,094
		1,864,813	170,884,376	172,749,189	(172,384,614)	364,575

		30 June 2023	30 June 2022
	Note(s)	Taka	Taka
Trade receivables			
Opening balance		1,614,767,904	1,057,580,923
Add: Addition during the year	25.00	2,794,569,748	3,199,681,329
Add: Adjustment for foreign currency translation gain	10.02	94,472,260	139,205,734
		4,503,809,912	4,396,467,986
Less: Realized during the year		(3,086,559,689)	(2,781,700,082)
Closing Balance		1,417,250,223	1,614,767,904
	Opening balance Add: Addition during the year Add: Adjustment for foreign currency translation gain Less: Realized during the year	Trade receivables Opening balance Add: Addition during the year 25.00 Add: Adjustment for foreign currency translation gain 10.02 Less: Realized during the year	Trade receivables Note(s) Taka Opening balance 1,614,767,904 Add: Addition during the year 25.00 2,794,569,748 Add: Adjustment for foreign currency translation gain 10.02 94,472,260 Less: Realized during the year (3,086,559,689) (3,086,559,689)

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

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

10.03 Trade receivables include affiliated companies

KDS Fashion Limited KDS Garment Industries Limited KDS IDR Limited

30 June 2023 Taka	30 June 2022 Taka
95,294,235	96,913,638
26,954,550	54,560,385
154,333,665	130,842,360
276,582,450	282,316,383



			30 June 2023	30 June 2022
10.04	Ageing of trade receivables		Taka	Taka
10.04	Dues within 3 Months		594,024,881	645,907,162
	Dues over 3 Months		823,225,342	968,860,742
	bucs over 5 Months		1,417,250,223	1,614,767,904
40.05	- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1			
10.05	Trade receivables - classification by security and related party:		1 417 250 222	1 (14 7(7 004
	Receivable considered good and secured Receivable considered good without security		1,417,250,223	1,614,767,904
	Receivable considered doubtful or bad debt			_
	Receivable due by directors or other officers		_	_
	Receivable due from companies under same management		276,582,450	282,316,383
	Maximum receivable due by directors or officers at any time		-	,,
11.00	Other receivables			
	Accrued interest income on FDR		375,233	298,495
			375,233	298,495
			30 June 2023	30 June 2022
		Note(s)	Taka	Taka
12.00	Advances, deposits and prepayments	14016(3)		Taka
	Advances	12.01	71,281,735	70,786,349
	Security deposits	12.02	13,592,262	13,718,249
	Prepayments	12.03	2,932,417	3,730,000
			87,806,414	88,234,598
12.01	Advances			
	Against salary and allowances		1,610,331	3,934,173
	Against income tax	12.01.01	35,674,976	31,933,050
	Advance against Land		12,847,598	12,847,598
	Others		21,148,830	22,071,528
2 04 04			71,281,735	70,786,349
.2.01.01	Advance income tax		21 022 050	22 122 760
	Opening balance Add: Paid/deducted during the year		31,933,050 32,462,657	22,123,769 31,913,786
	Less: Adjusted during the year		(28,720,731)	(22,104,504
	Closing balance		35,674,976	31,933,050
	closing squarec		33/07 1/370	52,555,656
12.02	Security deposits			
	T & T		20,000	20,000
	Titas Gas Transmission & Distribution Company Limited		2,429,000	2,429,000
	Gazipur Palli Bidyut Samity		9,065,088	9,065,088
	Karnaphuli Gas Transmission Limited		549,161	549,161
	Central Depository Bangladesh Limited (CDBL)		500,000	500,000
	Chattogram Port Authority & Shipping Agent		729,013	855,000
	Gulshan Club Limited		300,000	300,000
			13,592,262	13,718,249
12.03	Prepayments			
	Insurance premium		2,932,417	3,730,000
	'		2,932,417	3,730,000
12.04	The directors consider that all the above advances, deposits and preparations are considered to the control of	ayments are either adj	ustable 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		68,090,697	58,844,458

 KDS Poly Industries Limited
 68,090,697
 58,844,458

 KDS Thread Limited
 794,828,250
 455,676,515

 862,918,947
 514,520,973

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.



			30 June 2023	30 June 2022
		Note(s)	Taka	Taka
14.00	Short term investment			
	Investment in Fixed Deposit Receipts		2,374,677	2,300,000
			2,374,677	2,300,000
	Above Fixed Deposits maintained with Bank Asia Limited, Agrabad Branch, 4% - 6% per annum.	Chattogram have	been kept as lien. The	rate of interest is
			30 June 2023	30 June 2022
		Note(s)	Taka	Taka
15.00	Cash and cash equivalents			
	Cash in hand	15.01	530,396	727,429
	Cash at bank	15.02	18,310,046	269,412,178
			18,840,442	270,139,607
15.01	Cash in hand			
	Head office		159,499	299,514
	Dhaka office		141,321	137,257
	Gazipur factory office		229,576	290,658
			530,396	727,429



15.02	Cash at Bank			30 June 2023	30 June 2022
15.02	Name of Banks	Branch	Account Type	Taka	Taka
			·		
	Bank Asia Limited	MCB Banani	SND	1,337	1,313
	Bank Asia Limited	MCB Banani	Retention Quota	30,768	237,948
	Bank Asia Limited	Agrabad	USD	5,082,237	6,232,485
	Bank Asia Limited	Agrabad	Current Deposit	19,959	7,977
	Bank Asia Limited	MCB Banani	Retention Quota	1,080,345	1,393,120
	Bank Asia Limited	MCB Banani	USD	943	811
	Bank Asia Limited	Agrabad	USD	2,072	1,782
	Bank Asia Limited	MCB Banani	RAD	4,824,183	8,567,134
	Bank Asia Limited	MCB Banani	SND	266,921	50,536,066
	Bank Asia Limited	MCB Banani	Current Deposit	140,810	-
	Bank Asia Limited	Agrabad	Overdraft	-	54,618,925
	Dutch Bangla Bank Limited	Jubilee Road	Current Deposit	326,844	4,945,668
	Eastern Bank Limited	Agrabad	Current Deposit	45,325	-
	HSBC	Agrabad	Current Deposit	288,259	123,806
	Mutual Trust Bank Limited	Motijheel	Escrow	102,459	102,860
	NCC Bank Limited	Baridhara	Current Deposit	2,594	3,726
	NRB Bank Limited	Agrabad	Current Deposit	210	-
	Standard Chartered Bank	Agrabad	Current Deposit	1,215,560	473,787
	Standard Chartered Bank	Agrabad	Current Deposit	824,071	925,069
	Standard Chartered Bank	Agrabad	Current Deposit	479,911	190,378
	Standard Chartered Bank	Agrabad	USD	2,599,630	32,636,071
	Southeast Bank Limited	Agrabad	USD	970,452	9,453,039
	Southeast Bank Limited	Agrabad	Overdraft	-	98,957,468
	Southeast Bank Limited	Agrabad	Current Deposit	4,734	1,633
	Trust Bank Limited	Dewan Bazar	Current Deposit	422	1,112
				18,310,046	269,412,178
16.00	Share capital				
	Authorized Conital				
	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			2,000,000,000	2,000,000,000
	1,000 Ordinary Shares of Tk. 10 each a	ıs at 21 April 1991		10,000	10,000
	2,100,000 Ordinary Shares of Tk. 10 each a	•		21,000,000	21,000,000
	10,505,000 Ordinary Shares of Tk. 10 each a			105,050,000	105,050,000
	17,522,340 Ordinary Shares of Tk. 10 each a			175,223,400	175,223,400
	9,871,660 Ordinary Shares of Tk. 10 each a			98,716,600	98,716,600
	12,000,000 Ordinary Shares of Tk.10 each is			120,000,000	120,000,000
	5,200,000 Ordinary Shares of Tk. 10 each a		(Bonus share)	52,000,000	52,000,000
	2,860,000 Ordinary Shares of Tk. 10 each a		•	28,600,000	28,600,000
	3,003,000 Ordinary Shares of Tk. 10 each a			30,030,000	30,030,000
	3,153,150 Ordinary Shares of Tk. 10 each a		,	31,531,500	31,531,500
	4,966,211 Ordinary Shares of Tk. 10 each a			49,662,110	49,662,110



71,182,361 Ordinary Shares of Tk. 10 each

711,823,610

711,823,610

16.01 Shareholding position

	30 Jun	30 June 2023		ne 2022
	Percentage of	Number of	Percentage of	Number of shares
Name of the shareholders	holding	shares	holding	
Mr. Khalilur Rahman	42.99%	30,599,237	49.08%	34,938,452
Mr. Salim Rahman	14.09%	10,030,344	14.09%	10,030,344
Ms. Hasina Iqbal	1.03%	734,389	1.03%	734,389
Ms. Tahsina Rahman	3.84%	2,736,475	3.84%	2,736,475
Ms. Tahmina Rahman	0.00%	433	0.00%	433
KDS Garments Inds. Limited	2.01%	1,431,917	2.01%	1,431,917
General Public (IPO)	36.03%	25,649,566	29.94%	21,310,351
	100%	71,182,361	100%	71,182,361

16.02	Classification of shares by holding	No. of		
	Slab by number of shares	Shareholders	No. of Shares	Holding (%)
	Less than 500	3,021	468,335	0.66%
	From 500 to 5,000	2,133	3,688,840	5.18%
	From 5,001 to 10,000	278	2,110,361	2.96%
	From 10,001 to 20,000	163	2,470,772	3.47%
	From 20,001 to 30,000	66	1,666,139	2.34%
	From 30,001 to 40,000	34	1,187,962	1.67%
	From 40,001 to 50,000	17	777,322	1.09%
	From 50,001 to 100,000	25	1,944,331	2.73%
	From 100,001 to 1,000,000	38	10,646,362	14.96%
	Above 1,000,000	6	46,221,937	64.93%
		5,781	71,182,361	100%
			30 June 2023	30 June 2022
		Note(s)	Taka	Taka
17.00	Long term borrowings			
	Opening balance		135,546,851	63,477,870
	Add: Received during the year		-	80,088,420
	Add: Interest applied		10,099,295	5,809,430
	Add: Bank charges		48,000	54,000
	Add: Adjustment for foreign currency translation Loss		9,040,711	6,566,738
			154,734,857	155,996,458
	Add/(Less): Deferred interest payment of april & May 2020 (COVID)-19 Period)	-	325,127
	Less: Paid during the year		(38,755,422)	(20,774,733)
	Closing balance		115,979,435	135,546,851
17.01	Current/non-current classification			
	Due within one year		33,422,964	33,870,307
	Due after one year		82,556,471	101,676,544
			115,979,435	135,546,851
17.02	Details of long term borrowings			
	Bank Asia Limited - Agrabad	17.03	111,848,535	123,867,497
	Bank Asia Limited - MCB Banani	17.04	4,130,900	11,679,354
			115,979,435	135,546,851

17.03 A. Bank Asia Limited, Agrabad, Chattogram.

Total sanctioned amount Tk. 3.50 Crore Year 2021

Purpose Construction of two storied shed 8.50% (Revised from time to time) Interest rate

Tenure Seven years

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

Securities i) Hypothecation on movable assets.



17.03 B. Bank Asia Limited, Agrabad, Chattogram.

Total sanctioned amount Tk. 8 Crore Year 2022

Import of Plant & Machinery Purpose Interest rate 5%-8.5% (Revised from time to time)

Tenure Five Years Six Months

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

Securities i) Personal Guarantee of directors. ii) Hypothecation on movable assets.

17.04 Bank Asia Limited, MCB Banani, Dhaka.

Total sanctioned amount Tk. 7.30 Crore Year 2015

Construction of factory building, utility building. Purpose

Interest rate 8.50% (Revised from time to time)

Tenure Seven years

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

Securities i) Personal Guarantee of directors.

		Note(s)	30 June 2023 Taka	30 June 2022 Taka
18.00	Defined benefit obligation- gratuity			
	Opening balance		119,456,593	103,342,964
	Add: Provision made during the year	26.02 & 27	21,267,142	21,575,154
			140,723,735	124,918,118
	Less: Paid during the year		(3,426,305)	(5,461,525)
	Closing balance		137,297,430	119,456,593

19.00 Deferred tax liability

Provision for Gratuity (4,530,033) (319,576) Investment - - 72,350 (5,954,620)		30 June 2023	30 June 2022
Provided during the year Taxable/(deductible) temporary difference of PPE and intangible asset (excluding land) Provision for Gratuity Investment Provided during the year 4,602,383 (5,635,044) (4,530,033) (319,576)		Taka	Taka
Taxable/(deductible) temporary difference of PPE and intangible asset (excluding land) Provision for Gratuity Investment 4,602,383 (5,635,044) (4,530,033) (319,576)	Opening balance	23,656,041	29,610,661
Provision for Gratuity (4,530,033) (319,576) Investment - - 72,350 (5,954,620)	Provided during the year		
Investment	Taxable/(deductible) temporary difference of PPE and intangible asset (excluding land)	4,602,383	(5,635,044)
72,350 (5,954,620)	Provision for Gratuity	(4,530,033)	(319,576)
	Investment	-	-
Closing balance 23,728,391 23,656,041		72,350	(5,954,620)
<u> </u>	Closing balance	23,728,391	23,656,041

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

As on 30 June 2023	Carrying Amount Taka	Tax Base Taka	Tax Rate Percentage	Taxable / (Deductible) Temporary Difference Taka	Deferred tax liabilities/ (assets)
· · · · · · · · · · · · · · · · · · ·					
Property, plant & equipment (Excluding Land)	739,758,832	413,882,019	12.00%	325,876,813	39,105,218
Gratuity	(137,297,430)	-	12.00%	(137,297,430)	(16,475,692)
Investment	30,377,066	23,405,000	15% - 20%	6,972,066	1,098,865
Net taxable temporary difference				195,551,449	23,728,391
	Carrying Amount	Tax Base	Tax Rate	Taxable / (Deductible) Temporary Difference	Deferred tax liabilities/ (assets)
As on 30 June 2022	Taka	Taka	Percentage	Taka	Taka
Property, plant & equipment (Excluding Land)	799,633,716	454,605,377	10.00%	345,028,338	34,502,835
Gratuity	(119,456,593)	-	10.00%	(119,456,593)	(11,945,659)
Investment	20 277 000	23,405,000	15% - 20%	6,972,066	1,098,865
	30,377,066	23,403,000	13/0 20/0	0,372,000	1,050,005
Net taxable temporary difference		23,403,000	1370 2070	232,543,811	23,656,041



			30 June 2023	30 June 2022
		Note(s)	Taka	Taka
20.00	Trade and other payables			
	Trade payable	20.01	919,183,629	2,157,704,215
	For revenue expenses	20.02	218,054,152	200,065,673
	For other finance	20.03	557,692	1,665,935
			1,137,795,473	2,359,435,822
			30 June 2023	30 June 2022
		Note(s)	Taka	Taka
20.01	Trade payable			
	Liability for imported goods		900,647,603	2,134,536,022
	Liability for local goods & Expenses		18,536,026	23,168,194
			919,183,629	2,157,704,215

Liability for imported goods includes foreign currency translation loss of Tk. 48,045,223 (foreign currency translation loss for the corresponding year 2021-2022 was of Tk. 195,584,108) arising due to translation of trade payables in foreign currency at the reporting date.

			30 June 2023	30 June 2022
		Note(s)	Taka	Taka
20.02	For revenue expenses			
	Audit fee		546,500	435,870
	C & F charges		8,559,029	7,626,119
	Commission on sales		4,013,524	5,584,296
	Electricity bill		105,172	1,408,661
	Employee salaries and director's remuneration		30,674,772	30,574,772
	Gas charges		5,666,224	3,047,906
	Insurance expenses		3,168,326	2,768,401
	Provident fund		130,210,017	120,529,535
	Rent expenses		34,818,646	27,794,026
	Telephone & mobile bill		291,942	296,087
			218,054,152	200,065,673
20.03	For other Finance			
20.03	Staff income tax		110,451	932,759
	Supplier income tax		125,323	587,004
	VAT on audit fee		77,250	113,575
	VAT payable-others		244,668	32,597
	, ,		557,692	1,665,935
21.00	Unclaimed Dividend			
	Opening Balance		861,655	870,788
	Add: Cah dividend declared during the year		113,891,778	106,773,541
	Less: Paid/adjusted during the year		(113,932,974)	(106,782,674)
			820,459	861,655
21.01	Dividend unclaimed for the years			
	<u>For year ended on</u>			
	30 June 2022 (Final)		174,354	-
	30 June 2021 (Final)		530,265	531,858
	30 June 2020 (Final)		115,840	116,010
	30 June 2019 (Final)		-	213,787
			820,459	861,655
22.00	Provision for Income Tax			
	Opening balance		39,094,407	40,205,635
	Add: Provision during the year		44,001,469	28,814,331
	Add/(Less): Prior Year's Adjustment		(93,600)	-
			43,907,869	28,814,331
	Less: Paid/adjusted during the year		(28,720,731)	(29,925,559)
			54,281,545	39,094,407



22.01	Reconciliation of effective tax rate	30 J	une 2023	30 June 2022	
		Rate	Taka	Rate	Taka
	Profit before Tax		197,232,764	•	188,585,113
	Total Income Tax Expenses	22.30%	43,980,219	12.12%	22,859,711
	Factors affecting the tax charge:				
	Tax using the applicable rate	20.00%	39,446,553	20.00%	37,717,023
	Difference between accounting & fiscal Depreciation	13.23%	26,101,053	1.25%	2,350,560
	Inadmissible Expenses	2.65%	5,220,211	0.83%	1,572,144
	Difference Between WPPF & WF Provision & Payment	1.83%	3,599,624	1.05%	1,985,106
	Difference Between Gratuity Provision & Payment	2.16%	4,253,428	1.71%	3,222,726
	Rebate on export sales	-17.56%	(34,640,650)	-12.72%	(23,987,848)
	•	22.30%	43,980,219	12.12%	22,859,711
				30 June 2023	30 June 2022
			Note(s)	Taka	Taka
23.00	Short term bank loan				
	Bank Overdraft		23.01	115,259,940	-
	Local Documentary Bill Purchase (LDBP)		23.02	319,879,580	76,098,256
	Demand Loan and Time Loan		23.03	523,211,434	-
				958,350,954	76,098,256
23.01	Bank Overdraft				
	Bank Asia Limited			72,249,385	-
	Southeast Bank Limited			43,010,555	
				115,259,940	
23.02	Local Documentary Bill Purchase (LDBP)				
	Bank Asia Limited			121,916,939	29,157,867
	Southeast Bank Limited			42,326,608	14,239,002
	Standard Chartered Bank			155,636,033	32,701,388
				319,879,580	76,098,256
23.03	Demand Loan and Time Loan				
	Bank Asia Limited			384,558,794	-
	Southeast Bank Limited			87,743,750	-
	Standard Chartered Bank			50,908,890	
				523,211,434	-
24 00	Provision for WPPF and Welfare Fund				
24.00	Opening balance			72,884,376	57,442,981
	Add: Provision made during the year			10,380,672	9,925,532
	Add: Interest during the year		27.00	7,617,448	5,515,863
	Less: Paid during the year		-	-	-,0 =0,0 00
	,			90,882,496	72,884,376
				:	

As per provision of Workers' Profit Participation Fund (WPPF) and Welfare Fund (WF) of Labor Act 2006, the company has been maintaining provision of WPPF & WF since 2010. Meantime, the company has credited interest on the non-distributed WPPF & WF fund till 30 June 2023 with a view to protecting the interest of the workers.

			01 July 2022 to 30 June 2023		une 2023 01 July 2021 to 30 June 20	
		Notes	USD Taka		USD	Taka
25.00	Revenue					_
	Export sales	25.01	28,390,351	2,794,569,748	38,024,648	3,199,681,329
			28,390,351	2,794,569,748	38,024,648	3,199,681,329



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

		01 July 2022	to 30 June 2023	01 July 2021 to	30 June 2022
	Product name	(%)	Taka	(%)	Taka
	Carton	80.89%	2,260,540,588	81.47%	2,606,624,584
	Label	2.85%	79,536,326	1.74%	55,546,882
	Elastics and Narrow Fabrics	4.36%	121,752,582	5.01%	160,439,193
	Offset Printing	2.53%	70,589,967	2.44%	77,965,565
	Heat Transfer Printing	0.38%	10,715,614	0.20%	6,472,562
	Button	6.07%	169,576,735	4.16%	133,026,939
	Gum Tape	1.44%	40,359,726	1.39%	44,397,110
	Hanger	1.48%	41,498,210	3.60%	115,208,493
		100%	2,794,569,748	100%	3,199,681,329
				01 July 2022	01 July 2021
				to 30 June 2023	to 30 June 2022
			Note(s)	Taka	Taka
26.00	Cost of goods sold				
	Raw materials consumed		26.01	1,807,974,597	2,293,559,044
	Factory overhead		26.02	414,175,821	419,472,708
	Cost of Production			2,222,150,418	2,713,031,752
	Add: Opening work-in-process			30,519,075	23,120,967
	Less: Closing work-in-process		9.00	(18,870,386)	(30,519,075)
	Cost of goods manufactured			2,233,799,107	2,705,633,644
	Goods used for sample making		28.00	(659,886)	(779,898)
				2,233,139,221	2,704,853,746
	Opening finished goods			13,860,659	11,984,400
	Cost of goods available for sale			2,246,999,880	2,716,838,146
	Closing finished goods		9.00	(7,454,366)	(13,860,659)
				2,239,545,514	2,702,977,487
26.01	Raw materials consumed				
	Opening inventory			665,996,119	431,858,790
	Add: Purchases during the year			1,806,772,660	2,527,696,373
	Total materials available			2,472,768,779	2,959,555,163
	Less: Closing inventory		9.00	(664,794,182)	(665,996,119)
				1,807,974,597	2,293,559,044
				01 July 2022	01 July 2021
				to 30 June 2023	to 30 June 2022
			Note(s)	Taka	Taka
26.02	Factory overhead				
	Salaries, wages and others			208,727,624	202,648,179
	Ansar/security cost			3,650,989	2,619,453
	Depreciation		4.00	79,696,130	80,640,263
	Electricity expenses			7,178,443	9,598,753
	Fuel expenses			18,864,959	12,303,792
	Gas Expenses			35,459,762	40,573,882
	Generator running expenses		40.55	2,081,943	1,165,371
	Gratuity		18.00	4,253,428	4,315,031
	Insurance premium			4,663,362	4,618,158
	Labour charges			2,483,406	3,445,694
	Printing and processing charges			2,895,850	3,037,232
	Repair and maintenance			11,468,993	13,455,227



		Note(s)	01 July 2022 to 30 June 2023 Taka	01 July 2021 to 30 June 2022 Taka
	Stores and spares consumption	26.03	18,382,578	25,588,827
	Telephone expenses		1,533,194	1,726,017 4,789,986
	Testing fee Uniform and liveries		4,057,089 545,741	4,769,966 269,503
	Vehicle maintenance expenses		7,774,540	8,235,298
	Water and sanitation expenses		457,790	442,044
	Water and same expenses		414,175,821	419,472,708
				· · ·
			01 July 2022	01 July 2021
			to 30 June 2023	to 30 June 2022
26.02	Character de la constant de la const	Note(s)	Taka	Taka
26.03	Stores and spares consumption Opening inventory		82,471,375	68,352,805
	Add: Purchases during the year		20,855,874	39,707,397
	Total spare parts available		103,327,249	108,060,202
	Less: Closing inventory	9.00	(84,944,671)	(82,471,375)
			18,382,578	25,588,827
				04 1 2024
			01 July 2022	01 July 2021
		Note(s)	to 30 June 2023 Taka	to 30 June 2022 Taka
27.00	Administrative Expenses	Note(s)	IdKd	Idka
27.00	Salaries and Allowances		90,764,489	89,824,728
	Director's remuneration		6,100,000	4,300,000
	Audit fee		693,550	549,445
	AGM Expenses		927,677	935,033
	Amortization	5.00	120,670	286,680
	Depreciation	4.00	19,924,032	20,160,065
	Electricity expenses		1,266,784	1,693,898
	Entertainment		981,518	1,858,590



			01 July 2022	01 July 2021
			to 30 June 2023	to 30 June 2022
		Note(s)	Taka	Taka
	Fuel expenses		2,307,371	2,171,257
	Gratuity	18.00	17,013,714	17,260,123
	Group insurance		601,177	622,467
	Guest house expenses		663,773	554,497
	Insurance expenses		1,998,584	1,979,211
	Interest on WPPF	24.00	7,617,448	5,515,863
	Internet expenses		1,845,293	1,828,998
	Medical expenses		346,435	151,651
	Miscellaneous expenses		6,121,613	1,971,919
	Periodicals expenses		32,529	25,805
	Office maintenance		499,190	399,515
	Postage and parcel expenses		394,254	754,504
	Printing and stationeries		2,002,956	2,015,957
	Professional fees		53,750	167,500
	Rent expenses - Dhaka office		10,496,562	7,730,448
	Rent, rates, license, renewal and others fee		1,964,902	2,656,522
	Repair and maintenance		1,506,705	1,663,006
	Security cost - Ansar cost		644,292	462,256
	Fooding expenses		2,060,641	3,445,694
	Training expenses		10,000	-, ,
	Telephone		1,873,903	2,122,104
	Travelling and conveyance		793,581	879,938
	Vehicle maintenance expenses		863,838	915,033
	Tomos manuscranos expenses		182,491,231	174,902,707
28.00	Selling and distribution expenses			
20.00	Salaries and allowances		25,752,299	25,002,190
	Advertisement expenses		1,095,607	1,200,636
	Carriage outward			
	•		20,200,174 6,245,497	34,021,657
	Sales promotion and commission expenses	20.00		16,913,424
	Sample expenses	26.00	659,886 53,953,463	779,898 77,917,805
			33,933,403	77,917,803
29.00	Finance cost			
	Interest on bank loan and others		61,742,590	37,420,094
	Bank charges and commission		11,827,412	14,985,656
	Gain/(Loss) on currency fluctuation		103,543,465	45,240,285
			177,113,467	97,646,035
30.00	Finance income			
	Interest earned from FDR		373,516	442,391
	Interest earned from STD		46,943	75,895
	Interest income from inter-company receivable		62,354,373	49,622,819
	mender med me mem meet de mpany necessarie		62,774,832	50,141,105
24.00	Other Income			
31.00	Other Income Rental income		1,560,000	1,560,000
	Gain/(Loss) on sale of assets		7,999	(1,632,176)
	Forfeiture of Provident Fund		821,271	1,082,783
	Wastage Sales		983,261	1,121,637
	wastage sales		3,372,531	2,132,245
			3,312,331	2,132,243



		01 July 2022	01 July 2021
		to 30 June 2023	to 30 June 2022
32.00	Reconciliation of cash generated by operations	Taka	Taka
	Profit before income tax	197,232,764	188,585,113
	Depreciation charged	99,620,162	100,800,328
	Amortization charged	120,670	286,680
	(Gain)/loss on sale of property, plant and equipment	(7,999)	1,632,176
	Finance Income	(62,774,832)	(50,141,105)
	Finance Cost	177,113,467	97,646,035
	(Increase)/Decrease in Inventory	84,058,016	(168,904,648)
	(Increase)/Decrease in Trade Receivables (after adj. foreign currency fluctuation gain)	291,989,941	(417,981,247)
	(Increase)/ Decrease in other receivables	-	109,293
	(Increase) / Decrease in Advances, Deposits and Pre-payments	4,170,110	(11,941,827)
	Increase/(Decrease) in Trade and Other payables	(1,422,277,408)	909,010,889
	Increase in provision of WPPF and WF	17,998,120	15,441,395
	Increase in the provision of gratuity	17,840,837	16,113,629
	Cash generated by operations	(594,916,152)	680,656,712
	Interest paid (net)	(10,871,908)	(2,260,346)
	Income Tax Paid	(32,462,657)	(39,734,840)
	Net cash flows from operating activities	(638,250,717)	638,661,525
33.00	Earnings Per Share (EPS)		
33.01	Basic Earnings Per Share		
	The computation of EPS is given below:		
	Total earnings attributable to the ordinary shareholders	153,252,545	165,725,402
	Number of ordinary shares outstanding during the year	71,182,361	71,182,361
	Weighted average number of ordinary shares outstanding during the year	71,182,361	71,182,361
	Basic Earnings Per Share	2.15	2.33

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.

		30 June 2023	30 June 2022
33.03	Net Asset Value Per Share (NAV)	Taka	Taka
	Total Assets	4,379,258,993	4,647,796,044
	Less: Liabilities	2,519,136,183	2,827,034,001
	Net Asset Value (NAV)	1,860,122,810	1,820,762,043
	Number of ordinary shares outstanding during the year	71,182,361	71,182,361
	Net Assets Value (NAV) per share	26.13	25.58
		01 July 2022	01 July 2021
		to 30 June 2023	to 30 June 2022
33.04	Net operating cash flow per share	Taka	Taka
	Net operating cash flows (from statement of cash flows)	(638,250,717)	638,661,525
	Number of ordinary shares outstanding during the year	71,182,361	71,182,361
	Net operating cash flow per share	(8.97)	8.97
33.04.01	Reason for deviation in Net Operating CasH flow Per share (NOCFPS):		·
	Net Operating cash flow per share have been decreased due to increase of supplie	r payment during the year	

34.00 Contingent liabilities and commitment

Contingent liabilities and commitment at the reporting date are as follows

		30 June 2023	30 June 2022
34.01 Bank guarar	ntee	Taka	Taka
Bank Asia Li	mited	9,369,565	9,369,565
		9,369,565	9,369,565
34.02 L/C liabilitie	s		
Bank Asia Li	mited	97,555,783	610,392,787
Standard Ch	artered Bank	1,152,586	28,342,823
Southeast B	ank Limited	86,830,730	193,230,805
		185,539,099	831,966,414



34.03 Capital expenditure commitment

There is no capital expenditure commitment as at 30 June 2023.

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 2023 other than trade credit available in the ordinary course of business.

37.00 Related Party Transactions

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

	30 June 2023	30 June 2022
37.01 Key Management Personnel Compensation	Taka	Taka
Short term employee Benefits	6,100,000	4,300,000
	6,100,000	4,300,000

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

Director's Remuneration and festival bonus is given to the managiong director only. Board Meeting attendance fees are given to all the directors. During the year 2022-2023, managing director's remuneration is BDT 60,00,000 and festival bonus is BDT 1,00,000.in the year 2021-2022 managing director remuneration was BDT 4,200,000 and festival bonus was BDT 1,00,000.Attendence fees in connection with Board of Directors Meeting is BDT 1,00,000 during the year 2022-2023, It was 200,000 in the year 2021-2022.

37.02 Related party transactions

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

SL No.	Name of the Related Parties	Relationship	Nature of Transactions		ance as on 01 July 2022	Transaction during the year (Net)		Balance as on BO June 2023
1	KDS Fashion Limited	Common directorship	Receivable against Sales	Dr.	96,913,638	(1,619,403)	Dr.	95,294,235
2	KDS Garment Inds. Ltd.	Common directorship	Receivable against Sales	Dr.	54,560,385	(27,605,835)	Dr.	26,954,550
3	KDS IDR Limited	Common directorship	Receivable against Sales	Dr.	130,842,360	23,491,305	Dr.	154,333,665
4	KDS Poly Ind. Limited	Common directorship	Short Term Loan	Dr.	58,844,458	9,246,239	Dr.	68,090,697
5	KDS Thread Limited	Common directorship	Short Term Loan	Dr.	455,676,515	339,151,735	Dr.	794,828,250

38.00 Board of Directors (BOD) meetings & attendance:

Name of the Directors	Designation	Number of Meetings Held	Attendance
Mr. Khalilur Rahman	Chairman	4	4
Mr. Salim Rahman	Managing Director	4	4
Ms. Tahsina Rahman	Director	4	4
KDS Garment Industries Limited (Represented by Mr. Kamrul Hasan, FCA)	Director	4	4
Professor Sarwar Jahan	Independent Director	4	4



39.00 Events after the reporting period

39.01 Proposed Dividend:

40.00

The Board of Directors of KDS Accessories Limited at its 147th meeting held on 23 October 2023 recommended a final cash dividend amounting to BDT 71,182,361 being 10% of the paid-up capital (i.e. BDT 1.00 per share) for the year 30 June 2023. These dividends are subject to final approval by the shareholders at the forthcoming annual general meeting of the company

39.02 Minimum amount to be distributed as dividend

As per Section 16G of ITO 1984, as a listed company, KDS Accessories Limited shall declare and distribute at least 30% of its net profit after tax as dividend (as per section 16F stock and cash) to its shareholders otherwise 10% tax shall be imposed on the total amount of retained earnings, fund, reserve or surplus.

	01 July 2022	01 July 2021
	to 30 June 2023	to 30 June 2022
	Taka	Taka
Distributable Income	153,252,545	165,725,404
Minimum Dividend Percentage as per Section 16G	30%	30%
Amount to be Distributed as Dividend	45,975,764	49,717,621
Net Profit Before Tax	197,232,764	188,585,113
Less: Income Tax	(43,980,219)	(22,859,711)
Distributable Income	153,252,545	165,725,404
	30 June 2023	30 June 2022
D Employee position of KDS Accessories Limited		
Number of employees whose monthly salary was below Tk. 8,000	-	-
Number of employees whose monthly salary was above Tk. 8,000	1,316	1,214
	1,316	1,214

41.00 Quantitative information of production capacity for the year ended 30 June 2023

		01 July 20	22 to 30 June	2023	01 July 2021 to 30 June 2022		
Particulars	Unit	Production Capacity	Actual Production	Capacity Utilization	Production Capacity	Actual Production	Capacity Utilization
		(Pcs/GG)	(Pcs/GG)	in (%)	(Pcs/GG)	(Pcs/GG)	in (%)
Carton	Pcs	31,750,000	21,594,712	68.01%	31,750,000	30,291,920	95.41%
Label	Pcs	175,964,208	59,660,775	33.91%	175,964,208	77,342,085	43.95%
Elastics and Narrow Fabrics	Yard	35,376,000	21,895,399	61.89%	35,376,000	29,278,920	82.76%
Offset Printing	Pcs	150,009,600	53,135,153	35.42%	150,009,600	74,189,379	49.46%
Heat Transfer Printing	Pcs	24,960,000	4,277,042	17.14%	24,960,000	6,646,061	26.63%
Button	GG	360,000	256,496	71.25%	360,000	234,793	65.22%
Gum Tape	Pcs	4,290,000	543,888	12.68%	4,290,000	830,649	19.36%
Hanger	Pcs	45,000,000	9,520,911	21.16%	45,000,000	20,894,312	46.43%

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

42.00 Financial instruments- Financial risk management

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

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

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



42.01 Credit risk

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

(a) Exposure to credit risk

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

	30 June 2023	30 June 2022
	Taka	Taka
Investments in FDRs (Short term & long term)	7,388,613	7,180,832
Advances, deposits and prepayments	87,806,414	88,234,598
Trade and other receivables	1,417,625,456	1,615,066,399
Due from affiliated companies	862,918,947	514,520,973
Cash at bank	18,310,046	269,412,178
	2,394,049,476	2,494,414,980

(I) Trade and other receivables

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

Ageing of trade receivables

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

	30 June 2023	30 June 2022	
	Taka	Taka	
Dues within 3 Months	594,024,881	645,907,162	
Dues over 3 Months	823,225,342	968,860,742	
	1,417,250,223	1,614,767,904	

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

(ii) Due from affiliated companies

The carrying amount represents amount paid to one of the inter companies to meet its operational finance from time to time. The outstanding balance is redeemable including 7.5% (30 June 2022: 7%) interest per annum and has no prescribed repayment schedule.

(iii) Cash and cash equivalents

The company held cash at bank of Tk. 18,310,046 at 30 June 2023 (2022: Tk. 269,412,178), 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 2023		
	Amount in Taka	(%)	
Trade receivables	1,417,250,223	92.98%	
Other receivables	375,233	0.02%	
Advances, deposits and prepayments	87,806,414	5.76%	
Cash and cash equivalents			
Cash in hand	530,396	0.03%	
Cash at Banks	18,310,046	1.20%	
Bank Asia Limited	11,449,575	62.53%	
Dutch Bangla Bank Limited	326,844	1.79%	
Eastern Bank Limited	45,325	0.25%	
HSBC	288,259	1.57%	
Mutual Trust Bank Limited	102,459	0.56%	
National Credit & Commerce Bank	2,594	0.01%	
NRB Bank Limited	210	0.00%	
Standard Chartered Bank	5,119,172	27.96%	
Trust Bank Limited	422	0.00%	
Southeast Bank Limited	975,186	5.33%	

42.02 Liquidity risk

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

Exposure to Liquidity risk

The following are the contractual maturities of financial liabilities:

Non-derivative financial	Carrying		Contractual cash flows			
liabilities	amount	Interest rate	Within	1 to 5	More than	Total
	nabilities amount		12 months	years	5 years	
As at 30 June 2023	Taka	Percentage	Taka	Taka	Taka	Taka
Long term borrowings	115,979,435	8.50%-9.5%	33,422,964	82,556,471	-	115,979,435
Trade and other payable	1,137,795,473	N/A	1,137,795,473	-	-	1,137,795,473
Unclaimed Dividend	820,459	N/A	820,459			820,459
Short term bank loan	958,350,954	8%-9%	958,350,954	-	-	958,350,954
Provision for WPPF and	00 002 406	12.000/	00 002 406			00 002 406
Welfare Fund	90,882,496	12.00%	90,882,496	-	-	90,882,496
	2,303,828,817		2,221,272,346	82,556,471	-	2,303,828,817
As at 30 June 2022		•				
Long term borrowings	135,546,851	5.5%-8.5%	33,870,307	101,676,544	-	135,546,851
Trade and other payable	2,359,435,822	N/A	2,359,435,822	-	-	2,359,435,822
Unclaimed Dividend	861,655	N/A	861,655			861,655
Short term bank loan	76,098,256	6.00%	76,098,256	-	-	76,098,256
Provision for WPPF and	72.004.276	11 250/	72 004 276			72.004.276
Welfare Fund	72,884,376	11.25%	72,884,376	-	-	72,884,376
	2,644,826,960		2,543,150,416	101,676,544	-	2,644,826,960

42.03 Market risk

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

(a) Currency risk exposure and its management

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

As at 30 June 2023, 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 2023	Euro	GBP	USD	Taka
Foreign currency denominated assets				
Cash and cash equivalents	-	-	135,727	14,590,630
Trade receivables	-	-	13,183,723	1,417,250,223
	-	-	13,319,450	1,431,840,853
Foreign currency denominated liabilities				
Liability for Local Documentary Bill Purchase (LDBP)		-	2,961,574	319,879,580
Liability for Accepted Bills for Payment (ABP)	227,590		8,110,967	900,647,603
	227,590	-	11,072,541	1,220,527,183
Net exposure	(227,590)	-	2,246,909	211,313,670
•				
As at 30 June 2022	Euro	GBP	USD	Taka
·		GBP	USD	Taka
As at 30 June 2022		GBP -	USD 632,674	Taka 58,522,390
As at 30 June 2022 Foreign currency denominated assets		GBP - -		
As at 30 June 2022 Foreign currency denominated assets Cash and cash equivalents		GBP	632,674	58,522,390
As at 30 June 2022 Foreign currency denominated assets Cash and cash equivalents		GBP	632,674 17,456,950	58,522,390 1,614,767,904
As at 30 June 2022 Foreign currency denominated assets Cash and cash equivalents Trade receivables		GBP	632,674 17,456,950	58,522,390 1,614,767,904
As at 30 June 2022 Foreign currency denominated assets Cash and cash equivalents Trade receivables Foreign currency denominated liabilities		GBP	632,674 17,456,950 18,089,625	58,522,390 1,614,767,904 1,673,290,294
As at 30 June 2022 Foreign currency denominated assets Cash and cash equivalents Trade receivables Foreign currency denominated liabilities Liability for Local Documentary Bill Purchase (LDBP)	Euro	GBP	632,674 17,456,950 18,089,625 813,885	58,522,390 1,614,767,904 1,673,290,294 76,098,256
As at 30 June 2022 Foreign currency denominated assets Cash and cash equivalents Trade receivables Foreign currency denominated liabilities Liability for Local Documentary Bill Purchase (LDBP)	Euro	GBP	632,674 17,456,950 18,089,625 813,885 22,601,672	58,522,390 1,614,767,904 1,673,290,294 76,098,256 2,134,536,022

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 2023	30 June 2022
US Dollar		
For denoting asset in foreign currency	107.50	92.50
For denoting liabilities in foreign currency	108.01	93.50
Euro		
For denoting asset in foreign currency	-	-
For denoting liabilities in foreign currency	108	99.75

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

		30 Jun	30 June 2023		30 June 2022	
		Profit	Profit or loss		or loss	
		Strengthening	Strengthening Weakening		Weakening	
		Taka	Taka	Taka	Taka	
USD	(2% movement)	4,842,314	(4,842,314)	9,906,234	(9,906,234)	
EURO	(2% movement)	491,641	(491,641)	454,042	(454,042)	

(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.



Fixed- rate instruments	30 June 2023 Taka	30 June 2022 Taka
rixed- rate instruments		Taka
Financial assets	870,307,560	521,701,805
Financial liabilities	_(1,074,330,389)	(211,645,107)
	(204,022,829)	310,056,698
Variable- rate instruments		
Financial assets	-	-
Financial liabilities		-
		-

(e) Other market price risk

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



43.00 Financial Instruments- Accounting classifications and fair values

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

				Carr	Carrying amount		
		Fair value through profit or loss	Held to maturity	Loans and receivables	Available for sale	Other financial liabilities	Total
<u>30 June 2023</u>	Note ref.	Taka	Taka	Taka	Taka	Taka	<u>Taka</u>
Financial assets not measured at fair value							
Trade and other receivables	10 & 11		ı	1,417,625,456	1	1	1,417,625,456
Due from affiliated companies	13		1	862,918,947	1	1	862,918,947
Investments in FDR	8 & 14		ı	1	7,388,613	1	7,388,613
Cash at bank	15.02		'	18,310,046	,	-	18,310,046
		•	•	2,298,854,449	7,388,613	•	2,306,243,062
Financial liabilities not measured at fair value							
Long term borrowings	17		•	•	1	(115,979,435)	(115,979,435)
Trade and other payables	20		•	•		(1,137,795,473)	(1,137,795,473)
Unclaimed Dividend	21	•	•	•	•	(820,459)	(820,459)
Due to affiliated company	23		•	ı		1	
Short term liabilities	23	•	•	•	•	(958,350,954)	(958,350,954)
		•				(2,212,946,321)	(2,212,946,321)
30 June 2022							
Financial assets not measured at fair value							
Trade and other receivables	10 & 11		•	1,615,066,399			1,615,066,399
Due from affiliated companies	13	•	1	514,520,973	•	•	514,520,973
Investments in FDR	8 & 14	•	•	•	7,180,832		7,180,832
Cash at bank	15.02		•	269,412,178	•		269,412,178
			 - 	2,398,999,550	7,180,832		2,406,180,382
Financial liabilities not measured at fair value							
Long term borrowings	17		•	•		(135,546,851)	(135,546,851)
Trade and other payables	20	•	•	•	•	(2,359,435,822)	(2,359,435,822)
Unclaimed Dividend	21	•	•	•	•	(861,655)	(861,655)
Short term liabilities	23	•	,	•	,	(76,098,256)	(76,098,256)



(76,098,256) (**2,571,942,584**)





ENVIRONMENT BETTER WORLD





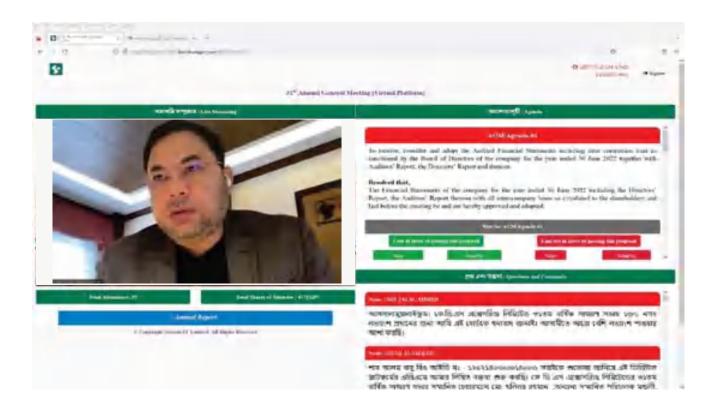
EVENTSIMAGE



Some snapshots of 30th AGM proceedings



Chairman addressing at 31st AGM



Managing Director at 31st AGM

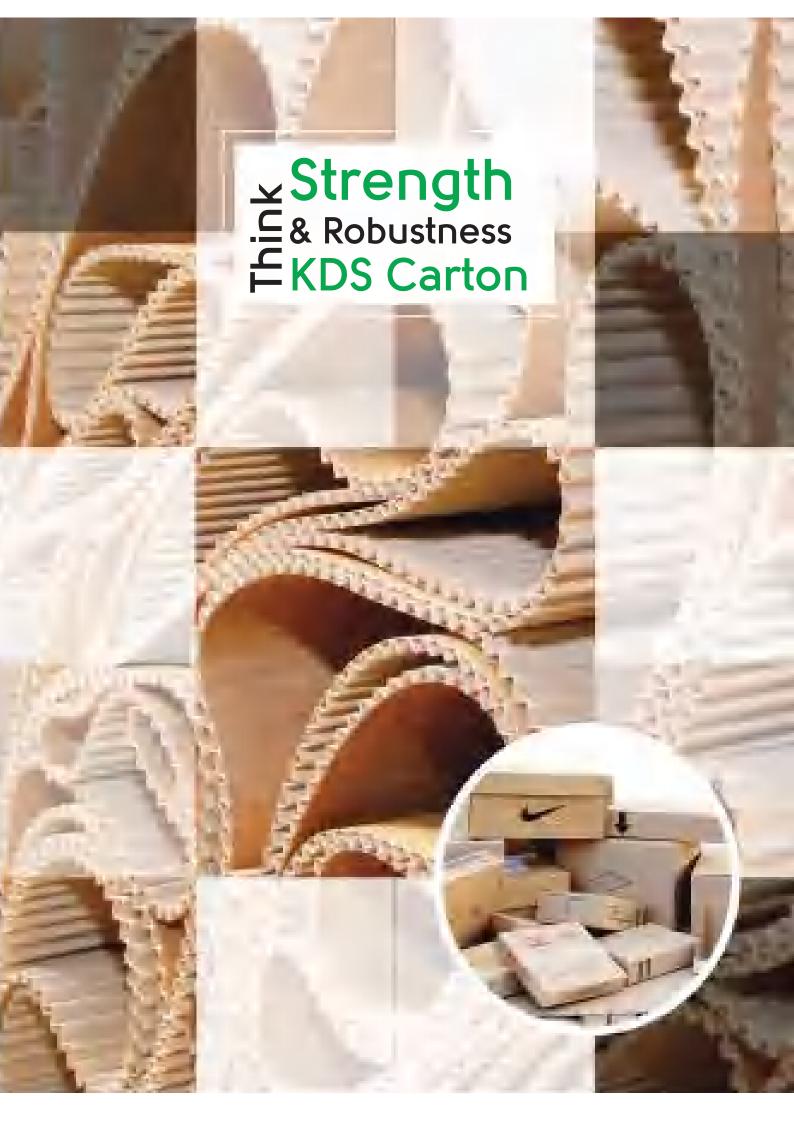


Starting 31st AGM Proceedings





Starting 31st AGM Proceedings





Business Observer

KDS Accessories okays 16pc dividend

CHATTOGRAM Niw 24 The KDS Acresuates Ltd. reproved the highest distbend his per cent cash distdend for the year 2021-2022 for the sharefullers die held shares on the record date in on 1 November 2022

The approval was given as the Thin Manual General tenting (ACM) of the com-66 on Thursday at

Director - Professor Sarway to become strong backword linkage bulustry ric. Acresocies a CEG- Mr. Debisis Daspal, CIO-The policy activities of the AGM were adoption of the Andred Francial Dods and

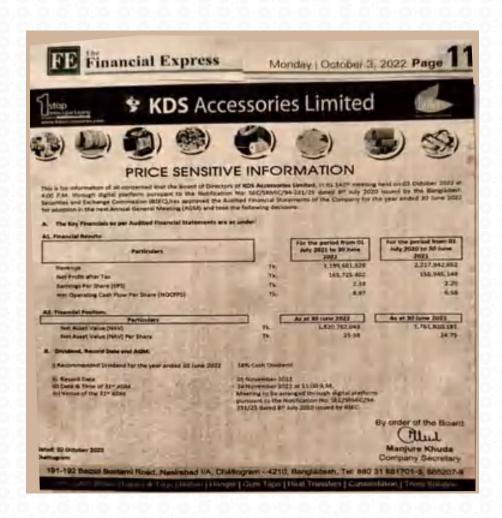
nee also present in the territor, Allerge number of AGM through Virtual

The Chairman of the meeting expressed his gratitude to the strainfold-300 Anniversary of their computy and thanked the iden for their thus in the company inbriefly talked about gr

Independent Direct At the end, Mr. Salim

Disector of the company highlighted the future plan of the company & was ented with a vene of thanks from him.









KDS Accessories holds AGM

OUR CORRESPONDENT

CHATTOGRAM, Nov 24: The 31st Annual General Meeting (AGM) of KDS Accessories Limited was held on a virtual platform on Thursday.

The AGM approved the highest dividend since its IPO at the rate of 16 per cent in cash for the year 2021-2022.

The other activities of the AGM were adoption of the Audited Financial Statements of 2021-2022, election of appointment of Indepen-Director dent and Auditors.

The meeting was presided over by Chairman of the



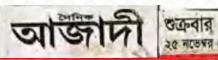
Chairman of KDS Accessories Limited Khalilur Rahman presided over the 31st Annual General Meeting of the company held on a virtual platform on Thursday

company Khalilur Rahman. Managing Director Salim Rahman, Director Tahsina Rahman, Representative Kamrul Hasan Director

Siddiqui, Independent Director Professor Sarwar Jahan, Auditor's Representative and KDS Accessories's CEO Debasis Daspal, CFO

Biplob Kanti Banik and Company Secretary Manjur E Khuda were present in the

nazim07@yahoo.com



কেডিএস এক্সোসরিজ লিমিটেডের ৩১তম বার্ষিক সাধারণ সভা

বাল প্রাক্তিয়ার পান্ধবিধার হৈছে বালাকা প্রায়ণ করা পূর্ব করা করিব।
বালিকে অনুষ্ঠিত সভার ব্যবহুপতা পরিচালক সেশির রয়েচনাল পরিচালক জারদিনা
বাল, আইন পরিচালক প্রায়ণক সার্বাধার জারদে, প্রতিনিধি পরিচালক জারদিনা
বাল, স্থানীন পরিচালক প্রতিনিধি, ইনভিগেনেট প্রতিনিধি পরিচালক কারদিলা
কার্যাধার ক্রিয়াক প্রতিনিধি, ইনভিগেনেট প্রতিনিধি পরিচালক কারদিলা
বিশ্ব বালাকার সিধানক প্রতিনিধি করিব করিব করা কোম্পানি সোম্বার্টারি মন্ত্রার
বা উপাইত হিলেশ। এবায়াক উল্লেখনেয়ার সংখ্যক প্রেমার্টারাকার্য জার্টারা

স্কার CHECKERO BOHE



ক্ষেত্ৰিক নাজাপুৰিল সিহিটোৱের ৩১তন বার্থিক সাধারণ সভার ক্ষেত্রিয়ান পদিপুর হত্যালনত জগুরা

প্ৰদানের আন প্রেরহেক্সর করা সকল টেকহেক্সরেক ব্যানর হয়ের জন্ম আইপিও পরবর্তী সূর্যোক্ত ১৬% নগদ সামাপে এবং কে মুদ্রের নিটান্তিত আর্থিত বিশ্ববী, পরিচলক নিয়োগ এবং গুড়বট লক নিয়োগ এবং গাবাড়ী বছরের মানন বয়। পরিসেকে কোম্পানির নিষ্টাক্তৰ নিয়োগনৰ অন্যানা বিষয় অনুমে পোনা পৰিচালকেৰ হবিখাত কৰিপৰিকল্পনা ও চন সমান্তি ঘোষণা কৰা হয়। তেল নিমান্তি।







SHAREHOLDER INDEX

THE 32nd ANNUAL GENERAL MEETING

14 December 2023, Time 11: 30 AM Date

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

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

FINANCIAL RESULTS

Reporting period of 12 months from 01 July 2022 to 30 June 2023. During the period operational result of the company were announced as below:

				Po	eriod ended result
Particulars	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	(2022-2023)
	November 2022	30 January 2023	30 April 2023	23 October 2023	23 October 2023
Reporting Date	July-2022	October-2022	January-2023	April-2023	July-2022
	August-2022	November-2022	February-2023	May-2023	to
	September-2022	December-2022	March-2023	June-2023	June-2023
Turnover in BDT (mn)	771.28	700.37	664.04	658.88	2794.57
Net Profit in BDT (mn)	49.64	31.67	38.84	33.1	153.25
EPS in BDT	0.70	0.44	0.55	0.46	2.15
NAV per share in BDT	26.28	25.12	25.67	26.13	26.13
NOCFPS per share in BDT	(1.54)	0.80	(2.32)	(8.97)	(8.97)

RECORD DATE

The record date was 20 November 2023.

DIVIDEND

10% cash Dividend has been recommended on 23 October 2023 in the 147th BOD Meeting and after having approval of the shareholders at the 32nd AGM, dividend will be distributed within 30 days from the date of AGM.

LISTING

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

FACE VALUE PER SHARE: TK. 10.00

INVESTOR CORRESPONDENCE

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

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

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

PROXY FORM

I/We	ot
being a shareholder of KDS Accessories Limit	* * * * * * * * * * * * * * * * * * * *
vote in my/our behalf at the 32nd Annual General Meeting (AGM) of the Company to be held on 14 Decer	
by using digital platform through the following link: https://kdsaccessories.bdvirtualagm.com and at any	•
may be taken in consequence thereof and to vote on my/our behalf as he/she thinks appropriate	
my/our hand thisday of2023.	off all resolutions. As withess
	Affix Revenue
	Stamp of Tk. 20.00
	'
(Signature of Shareholder)	(Signature of Proxy)
Shareholders BO ID No:	
No. of Shares held:	
Note:	
1. The proxy form, duly filled and stemped must be deposited at the Corporate Office not later than 72 (Seventy Two) hours before the time
fixed for the meeting.	deventy 1 wo, nours before the time
	of DO Association Decord
2. Signature of the shareholder should agree with the specimen signature registered with the Company of	of BO Account/ODBL Record.
(Authorized Signature)	(Signature Verified)
KDS Accessories Limited	<u> </u>
TO COLUMN TO THE PARTY OF THE P	
SECTION SECTION SECTI	
Corporate Office : 191-192, Baizid Bostami Road, Nasirabad I/A, Chattogran	า-4210.
SHAREHOLDERS' ATTENDENCE SLIP	
I/We do heredy record my/our presence at the 32nd Annual General Meeting of KDS Accessories Limited	ed to be held on 14 December 2023,
$\label{thm:condition} \mbox{Time 11:30 AM virtually by using digital platform through the following link: https://kdsaccessories.bdvirtually.} thm:condition:$	tualagm.com
Name of the Shareholder/Proxy:	
Shareholders BO ID No:	
(Authorized Signature)	(Signature Verified)
KDS Accessories Limited	(13.11.11.11.11.11.11.11.11.11.11.11.11.1
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Note: Please present this attendance slip at the registration desk on the AGM date.