

Annual Report 2022-2023



কে এন্ড কিউ (বাংলাদেশ) লিঃ
KAY & QUE (BANGLADESH) LTD.



**Orion Registrar, Inc., USA
Certificate of Registration**

This is to certify the Quality Management System of:

Kay & Que (Bangladesh) Limited
Anchor Tower, 1/1 (B), Sonargaon Road
Dhaka 1205
Bangladesh

*Has been assessed by Orion Registrar and found to be in compliance with
the following Quality Standard:*

ISO 9001:2008

The Quality Management System is Applicable to:

Manufacture of Carbon Rods

The Registration period is from May 12, 2009 to June 3, 2010.

*This registration is subject to the company maintaining its system to the
required standard, and applicable exceptions, which will be monitored by Orion.*

Client ID 00614-00001. Certificate ID J0000441-5.

ENAC / NAFCS / SIC Code(s): 19 / 335991 / 3624




President
05/12/2009
Date

Orion Registrar, Inc. ★ Arvada, Colorado ★ PO Box 745070 ★ 303-456-6010 ★ FAX 303-456-6681

To authenticate this certificate please visit www.orion4value.com



কে এন্ড কিউ (বাংলাদেশ) লিঃ
KAY & QUE (BANGLADESH) LTD.

Anchor Tower, 108 Bir Uttam C.R. Dutta Road, Dhaka-1205, Tel : 58610012-8, 44862004-15
Fax : 880-2-223362734, Web: www.kayandque.com, E-mail: info@kayandque.com

Letter of Transmittal

December 05, 2023

To

All Shareholders of Kay & Que (Bangladesh) Limited
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies and Firms (RJSCF)
Dhaka Stock Exchange Limited (DSE)
Chittagong Stock Exchange Limited (CSE) &
Other Stakeholders of Kay & Que (Bangladesh) Limited

Dear Sir (s),

Re: Annual Report of Kay & Que (Bangladesh) Limited for the year ended 30 June 2023

We are pleased to enclose a copy of Kay & Que (Bangladesh) Limited's Annual Report which includes amongst others, Directors' Report and the Audited Financial Statements comprising of statement of financial position, statement of Profit or Loss and other comprehensive income, statement of cash flows, statement of changes in equity for the year ended 30 June 2023 along with notes thereto of Kay & Que (Bangladesh) Limited for your kind information and record.

Thanking you

Sincerely yours

Sayed Ahmad
Company Secretary



Table of Contents 2022 - 2023

Letter of Transmittal	01	Board Committee	
Contents of the Annual Report 2022 - 2023	02	Company Secretary	
Notice of the 38th Annual General Meeting	03	Auditors	
Corporate Information	04	Maintaining the website of the company	
Vision, Mission & Challenges	05	Reporting and Compliance of Corporate Governance	
Board of Directors	07	Internal Control & Risk Management	37-38
Management Maestros	08	Internal Control	
Company Affairs	09	Measures for Identifying, Assessing Risks	
Board of Directors Profile	10-17	Risk Assessment	
Financial Calendar	18	Identification and Assessment of Risks	
Financial Highlights	19	Risk Management	
Message from the Chairman	20-21	Report of the Audit Committee	39
Directors Report	22-32	Report of Nomination & Remuneration Committee	40
Company performance		Report of Corporate Social Responsibility Committee	41
Going Concern		All Annexures	42-56
Objectives		Annexure-A - Declaration by CEO and CFO	
Land		Annexure-B - Corporate Governance Certificate	
Marketing Activities		Annexure-C - Corporate Governance Checklist	
Management Discussion and Analysis of Business		Annexure-i - The Pattern of Shareholding	
Dividend		Annexure-ii - Board and Committee Attendance	
Contribution to National Exchequer		Five years performance at a glance	57-58
Fairness of Financial Statements		Reports and Financial Statements	59-84
Minority Shareholders		Auditor's Report to Shareholders	
Board composition		Statement of Financial Position	
Board of Directors Committee		Statement of Profit or Loss and other	
Committees to the Board		Comprehensive Income	
Appointment of new Director		Statement of Changes in Equity	
The Pattern of Shareholding		Statement of Cash Flows	
Remuneration to Directors		Disclosure of Notes	
Corporate Governance Compliance Report		BAPLC Certificate	85
SWOT Analysis		Attendance Slip & Proxy Form	87
Corporate Governance	33-36		
Corporate Governance Framework			
Responsibilities of the Board			
The Management			
Chairperson & Managing Director			
Chief Financial Officer, Company Secretary and			
Head of Internal Audit			



Kay & Que (Bangladesh) Limited

Registered Office: "Anchor Tower" 108, Bir Uttam C. R. Dutta Road, Dhaka – 1205

NOTICE OF THE 39TH ANNUAL GENERAL MEETING (AGM)

The Notice is hereby given to the Shareholders of Kay & Que (Bangladesh) Limited that the 39th Annual General Meeting (AGM) of the Company will be held on Tuesday, 19th December, 2023 at 11.00 a.m. virtually by using digital platform- <https://kayque39.agm.watch> (in pursuance with Order No. SEC/SRMIC/ 04-231/25 dated 08 July, 2020 of Bangladesh Securities and Exchange Commission) to transact the following businesses and to adopt necessary resolutions:

AGENDA

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2023 along with the Reports of the Directors and the Auditors thereon.
2. To approve Dividend for the year ended June 30, 2023 as recommended by the Board of Directors.
3. To elect/re-elect of Directors under Rotation.
4. To approve the reappointment of the Independent Directors.
5. To appoint Statutory Auditors for the year 2023-2024 until the conclusion of the next Annual General meeting and to fix their remuneration.
6. To appoint Compliance Auditors as per Corporate Governance code-2018 for the year 2023-2024 and to fix their remuneration.

SPECIAL BUSINESS:

1. **To change the Name of the Company to "KAY & QUE (BANGLADESH) PLC." from "KAY & QUE (BANGLADESH) LIMITED"**
To adopt the change of registered name of the company to 'Kay & Que (Bangladesh) PLC.' from 'Kay & Que (Bangladesh) Limited' as per provision of the Companies Act, 1994(2nd Amendment 2020) and to amend the relevant clauses of the Memorandum and Articles of Associations of the Company by adopting the Following special resolution:

RESOLVED THAT The proposal of changing of registered name of the company to 'Kay & Que (Bangladesh) PLC.' from 'Kay & Que (Bangladesh) Limited' in accordance with the Companies Act 1994(2nd Amendment 2020) and to amendment in the relevant clauses of the Memorandum and Articles of Associations of the Company be and is hereby approved subject to approval of regulatory authorities.

FURTHER RESOLVED THAT the old name of the company will be replace by the new name in all the statutory/title documents, Licenses and other relevant documents.

Dhaka
30th November, 2023



By order of the Board

Sayed Ahmad
Company Secretary

NOTES:

- (1) Shareholders whose names appear in the Register of members as at the close of business on the "Record Date" i.e. 20th November, 2023 will be eligible to join the Annual General Meeting (AGM).
- (2) A member eligible to join and vote at this virtual AGM may appoint a proxy to attend and vote on his/her behalf. Proxy Form duly stamped must be submitted at the Registered Office of the Company not later than 72 hours before the time of holding the meeting.
- (3) Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/ CMRRCD/2006-158/208/ Admin/81 dated 20 June 2018 link of the downloadable PDF copy of the Annual Report 2022-2023 along with Notice, Proxy Form and Attendance will also be available in the company's web-site (www.kayandque.com) and the same shall be sent to respective Member's email address available in beneficiary owner (BO) account with the Depository participant (DP).
- (4) The shareholders are requested to send their comments/queries/questions at info@kayandque.com before 24 (Twenty four) hours of commencement of the AGM.
- (5) Access to the AGM link shall be facilitated upon production of the Folio/BO ID and No. of shares held as on Record Date/Book Closer.
- (6) Shareholders are requested to cast their votes **48 hours** before starting of the meeting by using the link or scanning **QR Code**. For any IT related guidance and help with the login process the respected members may contact at +88-02-586100125-8, (Ext-135, 108) and visit www.kayandque.com
- (7) **The shareholders who want to participate during the AGM for placing their comments and questions are requested to send their BO/ Folio ID, No. of shares and contact info at info@kayandque.com not later than 72 hours before the time of holding the meeting.**
- (8) No gift or benefit in cash or kind shall be paid/ offered to the Shareholders in the 39th AGM as per BSEC Circular No. SEC/ CMRRCD/2006-193/154 dated 24.10.2013



Corporate Information

Incorporation

January 19, 1984

Commencement of Business

January 19, 1984

Listing with Dhaka Stock Exchange Ltd

September 09, 1996

Listing with Chittagong Stock Exchange Ltd.

January 20, 1997

Board of Directors

Chairman

Mr. Abdul Awal Minto

Managing Director

Mr. Tabith Awal

Directors

Mrs. Nasreen Fatema Awal

Mr. Tafsir M. Awal

Mr. Tajwar M. Awal

Independent Director

Mr. Md. Mahboob Ahmed

Mr. Mollah M. Amzad Hossain

Nominated Director

Mr. Mahbub Anam

Mr. Md. Rezaul Karim

Mr. M. Jalalul Azim

Mr. A.T.M. Ahmedur Rahman

Chief Financial Officer

Mr. Kazi Ekramul Hoque

Head of Internal Audit

Mr. Md. Shamsur Rahman

Company Secretary

Mr. Sayed Ahmad

Factory Address

Dhamrai, Dhaka-Aricha Highway,

Phone : 9346187

Registered Address

Anchor Tower, 108 Bir Uttam C.R

Dutta Road, Dhaka-1205

Audit Committee

Mr. Md. Mahboob Ahmed

Mr. Mahbub Anam

Mr. Tajwar M. Awal

Nomination & Remuneration Committee

Mr. Mollah M. Amzad Hossain

Mr. Tajwar M. Awal

Mr. M. Jalalul Azim

Corporate Social Responsibility Committee

Mr. Mahbub Anam

Mr. Tabith Awal

Mr. Tafsir M. Awal

Statutory Auditor

A. Wahab & Co.

Chartered Accountants

House-19, Road-13C

Block-E, Banani, Dhaka-1213

Compliance Auditor

Masud Muhammad & Co.

Chartered Accountants

Creation Panthadhara (5th Floor)

44/F/8 Panthpath, Dhaka-1215

Bankers

Social Islami Bank Ltd.

National Bank Ltd.

Islami Bank (Bangladesh) Ltd.

Bank Asia Ltd.



02-58610012-18, 58610027, 58610115



880-2-9662734



info@multimodebd.com



www.kayandque.com

Vision Mission & Challenges

Our vision, supported by our well-defined mission, unites us to move forward with confidence, while meeting the diverse aspirations of our various stakeholder groups. The Vision & Mission Statement are as follows:

MISSION STATEMENT

"To maximize shareholder and societal value while reducing the environmental impacts along the supply chain and community in which we operate."

- Adopt new challenges and take advantage of new opportunities
- Continue a culture that is rich in diversity to meet the evolving expectations of our stakeholders
- Establish ethical corporate governance and integrated management structure
- Ensuring a sustainable business that meets stakeholders' expectations
- Consideration of holistic viewpoint for realizing the vision





Board of Directors



Mr. Abdul Awal Mintoo
Chairman



Mr. Tabith Awal
Managing Director



Mrs. Nasreen Fatema Awal
Director



Mr. Tafsir M. Awal
Director



Mr. Tajwar M. Awal
Director



Mr. Mahbub Anam
Nominated Director (SMCL)



Mr. Md. Rezaul Karim
Nominated Director (PIL)



Mr. M. Jalalul Azim
Nominated Director (PLI)



Mr. A.T.M. Ahmedur Rahman
Nominated Director (ICB)



Mr. Md. Mahboob Ahmed
Independent Director



Mr. Mollah M. Amzad Hossain
Independent Director



MANAGEMENT MAESTROS

The Backstage Performers



Mr. Kazi Ekramul Hoque
Chief Financial Officer (CFO)

Kazi Ekramul Hoque is playing an important role of Chief Financial Officer of Kay & Que (Bangladesh) Limited. He has been discharging his responsibility as the head of Account and financial planning for almost more than 4 years in this Company. Under his supervision, the Company experienced greater growth. He has 10 years experienced in Financial Accounts, Costing & Budgeting including management accounts, Internal Auditing in large group of companies, a joint ventured multinational company, a USA based company and a Multinational NBF. He has completed his graduation and post-graduation with major in accounting and Finance and banking. He also party qualified cost and management accountant from ICMA.



Mr. Sayed Ahmad
Company Secretary

Mr. Sayed Ahmad is a brave, elegant and ambitious person who intends to dream great and tries to the best in possible manner. He joined the Company Secretariate division of this organization in June 2022 as a "Company Secretary". From the very first day his collaboration & dedication for both learning and achieving to the organizational goal was mesmerizing. Mr. Sayed has completed his graduation and post-graduation from the area of Accounting & Information System(AIS) from the Faculty of Business Administration. He is a proud alumni of Cumilla University. He has completed CA Article ship (CA-CC) under Syful Shamsul Alam & co. Chartered Accountants. He has also completed knowledge level under The Institute of Chartered Accountants of Bangladesh (ICAB). He also partly completed his CS (chartered secretary) from The Institute of Chartered Secretary of Bangladesh (ICSB). Apart from this he is an Income Tax Practitioner (ITP), Member of Dhaka Taxes Bar Association. In addition he worked in the field of Company Affairs, Share, Equity Management, Audit and Compliance, Tax, Accounts and Financial Management in different listed & renowned Domestic, Multinational Companies, Marchant Bank, NGOs as a Senior Officer to Head of Division with profound success of handling high profile job responsibilities.



Mr. Md. Shamsur Rahman
Head of Internal Audit

Mr. Shamsur Rahman has been appointed as Head of Internal Audit and Compliance in 2018 as to the compliance of the Corporate Governance Code-2018. Since then, he has been meaningfully contributing to the organizational goals of the Company. He completed his BBA in 2009 & MBA in 2010, Major in Accounting & Information Systems (AIS), from University of Rajshahi. He was a CA Article ship (CA-CC) period (1st March, 2012 to 31st June, 2015) under S.F. Ahmed & Co. Chartered Accountants. He also fully completed the Knowledge Level in 2013 and Partly completed (300 marks out of 700 marks) the Application Level under the Institute of Chartered Accountants of Bangladesh (ICAB). Apart from those, he an Income Tax Practitioner (ITP).

Mr. Rahman possess the enough knowledge over Audit Plan & Audit Procedure, Audit Report, Accounts & Financial Management of different Listed Companies, Multinational Companies, Bank, Non-banking Financial Institutions, Insurance and NGO's as a Team player & Leader as well.

Company Affairs

The Company was incorporated in January 19, 1984 with only one operational unit (Carbon Rod) since before coming under the existing management. In 1988 the entire factory was submerged under flooded water. From 1989 the company came under the supervision of the current management through the then Bangladesh Shilpa Rin Sangstha (BSRS) which is now named as Bangladesh Development Bank Limited (BDBL).

Listing:

In 1996 the company floats 90,000 ordinary shares of Tk.100/- each to call funds from general shareholders and in the latter years it had declared stock dividends among the shareholders. Currently it's paid-up capital stands at 6,855,931 (Effective from 31st July 2023) ordinary Shares of Taka 68,559,309.

Performance Flashback:

Unit-01: Carbon Rod

In the year 2012, the Unit-01 went under a long maintenance due to distortion of productivity of Unit-01. We had appointed Padma Techno-Consult & Survey Ltd., a heading consulting engineers & surveyors to understand the current status of the plant. The original supplier of Carbon Rod factory closed their factory. So, our existing factory could not get spare parts from them and spares are not available from other sources. Hence the quality of Carbon rod was deteriorating by day by day and losing the matter, so the management was compelled to close the Carbon rod unit. Since then this particular unit has not gone for operation.

Unit- 02: Coal Tar

The company opened coal tar unit as by product of unit-1 in 2002. But due to the drastic fall of demand in the market of Bangladesh the operation of coal tar also had been terminated.

Unit- 03: Pesticide

There were no significant marketing networks and distribution channels available then to generate profit for the company. Besides, several market forces shrank the success path of the company significantly. As a result, the company was unable to continue the operation of the pesticide unit anymore considering the both short and long-term business perspectives.

Unit- 04: CNG

In 2009 the CNG unit had been opened in the factory up to 2015, the CNG Unit was only operational Unit of the company. Like the previous years, Unit-04, the CNG filling and re-fueling station's operation has been carrying out successfully.

Unit 05-IT Unit

The Kay & Que IT Unit acts as a multifaceted software, digital solutions, and value added service provider. In addition to the above services Kay & Que IT Unit provides quality content, VAS and IVR (Interactive Voice Response Services), Text Based Services, Premier Services, GPRS Contents, and Large Scale Enterprise Software/Hardware Turn Key Solutions. There are several different engagement models- including SaaS (software as a service), BOT (build operate transfer), BOO (build own operate), and PPP (Public Private Partnership). The unit has developed customized and unique web solutions starting from simple corporate websites to E-Commerce solutions. Additionally, it provides cyber security solutions.

Amalgamation of Kay & Que with MultiSourcing Limited:

Since the units has gone for long term maintenance, the Management continuously tried to introduce the new investments in the company. Meanwhile, the Company revaluated its asset by M/s. Mahfel Huque & Co., Chartered Account, a Valuation firm listed with Panel Valuer List of Bangladesh Securities and Exchange Commission (BSEC). Considering the Cut-off date on 31-12-2017, the company revalued the assets of the company which stood Tk.584,795,873/- against the book value of Tk. 138,134,723/- The Report was approved by the Board of Directors in its 155th Meeting of Board of Directors. Further to that, the Board of Directors in its 155th meeting decided to amalgamate MultiSourcing Limited with Kay & Que (Bangladesh) Ltd. This is important to mention here that, Bangladesh Securities and Exchange Commission has accorded its kind consent as on 17th July 2023 Vide Memo No: BSEC/CI/CPLC (Public)-1072/2023/1339 under the provisions of the Securities and Exchange Commission (Issue of Capital) Rules, 2001 for raising the paid-up capital of Kay & Que (Bangladesh) Limited from existing Tk. 51,476,560/- to Tk. 68,559,309/- by issuing 17,08,275 nos. of ordinary shares @ Tk. 10/- each totaling Tk. 17,082,750/- (Taka One Crore Seventy Lac Eighty Two Thousand Seven Hundred Fifty) only to Shareholders of Multisourcing Limited in accordance with the Securities and Exchange Commission (Issue of Capital) Rules, 2001 as per the Scheme of amalgamation approved by the shareholders and the High Court Division of the Supreme Court of Bangladesh.



Board of Directors' Profile

Mr. Abdul Awal Mintoo

Chairman



Mr. Abdul Awal Mintoo, one of the most diversified businessmen of the country was born in 1949. A lot of industries including Trade, Shipping, Bank & Insurance established under his expertise and Business acumen. He was elected as the president of FBCCI for two times. Mr. Abdul Awal Mintoo completed his Bachelor of Science in Transport Science and Master of Science in Transport Management from States University of New York, USA. He also received another post-Graduation Degree in Agricultural Economics and International Business Law from University of London.

Mr. Abdul Awal Mintoo has over 45 years of Experience in the business field specially well experienced in the field of Agro farm. Currently, he is enjoying the Office of President of Bangladesh Seed Association. Besides he was also elected as the member of the Executive Committee of Asia Pacific Seed Association (APSA). APSA is the largest regional seed association in the world.

Nature of expertise:

Name of the Company for Directorship and Membership of the Board Committee:

Name of Company	Directorship / Membership in Board
Lal Teer Seed Limited	Chairman
North South Seed Limited	Chairman
Pragati Life Insurance Limited	Director
Pragati Insurance Limited	Director
Chens Crop Science Limited	Chairman
Lal Teer Livestock Limited	Director
Lal Teer Silk Limited	Managing Director

Mr. Tabith Awal

Managing Director



Mr. Tabith Awal is one of the diversified young entrepreneurs of the country who has been playing several vital roles as Directors of different companies. He completed his Master of Science major in Information System Development from the George Washington University, Washington DC, USA. Mr. Tabith Awal was elected for two times as the Vice-President of Bangladesh Football Federation (BAFUFE) and he was the Executive Committee Member of MCCI. He is also the Founder and President of NoFel Sporting Club. Besides, he was the Senior Vice-President of Bangladesh Seed Association (2017-2019).

Mr. Tabith in his early entrepreneurship received Gold Medals from the Govt. of (EPB) for outstanding results in exporting carbon rods in 2004. In the same year, he pioneered the first Wireless Communication Company along with the first ever Digital Money Transfer Platform named iPay. From the year 2005 he joined and contributed in the fields of innovative seed production, research & development in Lal Teer Seed Company Ltd. whereas in 2011 he engaged himself in the back footed Livestock industry of Bangladesh and by 2014, Tabith has completed the Genome Sequencing of River Water Buffalo partnering with BGI.

Nature of expertise:

Name of the Company for Directorship and Membership of the Board Committee:

Name of Company	Directorship / Membership in Board
Lal Teer Seed Ltd.	Director
North South Seed Ltd.	Director
Chens Crops Science (BD) Ltd.	Director
Lal Teer Livestock Ltd.	Vice-Chairman
Multimode Green Solutions Limited	Director
A & A Investment Ltd.	Director
Pragati Insurance Limited	Vice-Chairman
Lal Teer Silk Limited	Director



Mrs. Nasreen Fatema Awal

Director



Mrs. Nasreen Fatema Awal has proved herself as a dynamic business entrepreneur playing diversified leadership role in the corporate houses as well as various social and international organization. She is the Founder President, currently Executive member of WEAB (Woman Entrepreneurs Association of Bangladesh). Mrs. Nasreen Fatema Awal is also the Honorary Consul General of Mongolia in Bangladesh. She has a good academic background and gathered vast experience in business. In 1976, she graduated (Pre-University) from Herbert Lehman High School, Bronx, New York. Thereafter, she further studied for two years in Manhattan Community College, New York. She also completed one-year course on Computer and also obtained Certificate in Montessori System of Education from U.S.A. Mrs. Nasreen Fatema Awal has over 26 years of Management and Entrepreneurial Experience in the corporate houses. She has good experience in the function of Business Administration and Social & Humanitarian affairs.

Nature of Expertise:

Name of the Company for Directorship and Membership of the Board Committee:

Name of Company	Directorship / Membership in Board
Multimode Green Solutions Limited	Chairman
Joongbo Multimode Chemicals Ltd.	Managing Director
Lal Teer Seed Ltd.	Director
North South Seed Ltd.	Director
Chens Crops Science (BD) Ltd.	Director
Lal Teer Livestock Ltd.	Director

Mr. Tafsir M. Awal

Director



Mr. Tafsir M. Awal is a dynamic business entrepreneur playing diversified leadership role in the corporate house. As recognition of his dynamism and entrepreneurship quality, Mr. Tafsir obtained Young Entrepreneur Awards-2016. Mr. Tafsir completed Master of Science in Entrepreneurial Management from the European School of Business, London, UK after qualifying the Bachelor of Science in Telecommunications with emphasis on Industry & Management and Media & Society in USA. Mr. Tafsir has over 13 years of Management and Entrepreneurial Experience in the corporate area. He has a good experience in the function of Human Resource Management and Administration.

Nature of Expertise:

Name of the Company for Directorship and Membership of the Board Committee:

Name of Company	Directorship / Membership in Board
Lal Teer Seed Ltd.	Director
North South Seed Ltd.	Director
Chens Crops Science (BD) Ltd.	Director
Lal Teer Livestock Ltd.	Director
Lal Teer Silk Limited	Director



Mr. Tajwar M. Awal

Director



Mr. Tajwar M. Awal is a young entrepreneur in the country who has proven his potentialities in the FMCG, automobiles and hospitality industries. Mr. Tajwar M. Awal received his Graduation in Business Administration and Post-Graduation in Finance from Suffolk Industries, Massachusetts, USA. Beside his business activities, he has been involved with various social activities. Currently he is the Board Member of American International School Dhaka Alumni Association.

Nature of Expertise:

Name of the Company for Directorship and Membership of the Board Committee:

Name of Company	Directorship / Membership in Board
MF Consumers Limited	Director
Lal Teer Seed Ltd.	Director
North South Seed Ltd.	Director
Chens Crops Science (BD) Ltd.	Director
Lal Teer Livestock Limited	Director
Multimode Green Solutions Limited	Director
Lal Teer Silk Limited	Director

Mr. Mahbub Anam

Nominated Director

Security Management Company Limited (SMCL)



Mr. Mahbub Anam started his profession with the local agency of The Shipping Corporation of India in Bangladesh. Thereafter he worked with US Lines and American Transport Lines in Bangladesh. Later he moved to Canada in 1988 and joined KFC, one of the largest fast food chain. In 1995 he got engaged in agricultural sector and played key role in establishing East West Seed (Bangladesh) Ltd. the pioneer seed research company in Bangladesh. At present he is the Managing Director of Lal Teer Seed Ltd., North South Seed Ltd. and Chens Crop Science Ltd. Mr. Anam is the Director of Canada-Bangladesh Trade Promotion Center, Inc., Canadian Showcase Inc. and Liberal Association of Bangladeshi Canadian (LABC).

He is also the ex President of Bangladesh Seed Association and ex Chairman for the Standing Committee for Agriculture, FBCCI.

Mr. Md. Rezaul Karim

Nominated Director

Pragati Insurance Limited



Mr. Md. Rezaul Karim, the advisor of Pragati Insurance Ltd. has been nominated as the Director of Kay & Que (Bangladesh) Limited. After retirement from the position of Managing Director of Sadharan Bima Corporation, Mr. Karim has joined in the Pragati Insurance Limited. In 37 years long experience of his career, Mr. Karim had worked in different capacity of Insurance Sector. Besides that, Mr. Rezaul Karim was the Director of Central Depository Bangladesh Limited (CDBL).

He is associated with number of social organizations. Mr. Karim blessed with a son and a daughter. He has keen interest in music and sports.



Mr. Md. Jalalul Azim

Nominated Director

Pragati Life Insurance Ltd.



Mr. Md. Jalalul Azim, the Managing Director of Pragati Life Insurance Ltd. has been nominated as the Director of Kay & Que (Bangladesh) Limited. He has Completed his MBA from IBA, University of Dhaka. He also obtained B.SC. in Agricultural Engineering and secured 1st Class 1st position. Mr. Azim started his career in British American tobacco and worked in various capacities at home and abroad with Multinational Companies like ALICO and DSG in UK. He is a Fellow of “Life management Institute, USA”. Mr. Azim is Life Member of IBA Alumni Association, member of institute of Engineers & Army Golf Club. Ex BCS Railway Cadre Officer Mr. Azim’s insurance career begun in ALICO in 1994 and he served as Agency Director – ALICO Bangladesh from 2002 to 2006. Later he migrated to United Kingdom. Prior to taking over the helm of Pragati Life Insurance Limited, he also served as Managing Director & CEO in Delta Life Insurance and Pragati General Insurance Limited.

Mr. Md. Mahboob Ahmed

Independent Director



Mr. Md. Mahboob Ahmed has over 36 years of experience serving in different position in GoB. He has a good skill and experience in the function of Human Resource Management, Planning and Monitoring; with vast experience in the field of Administration Special focus on Magistracy, Land Management and Local Government institution in different rank and capacity. He was the Additional Secretary of the Government at the Ministry of Planning where Coordinated Project Planning, Monitoring and evaluation of different mega projects from the apex. Besides that Mr. Mahboob, ran Telecommunication Regulatory Commission as Secretary which earned him hands on experience in telecom regulatory improvement and corporate restructuring.

Mr. Mahboob was also Director General at the Department of Agricultural Marketing in Bangladesh where he played a key role in stabilizing and reforming on Agricultural Marketing Policies with strong collaboration with FAO, JICA, World Bank, ADB & IFAD on market transformation and development. He achieved different certificate courses in Administration and Management in home and abroad. He also led a couple of mission to abroad. Mr. Mahboob is Alumni of Bradford University, United Kingdom.

Mr. Mollah M. Amzad Hossain

Independent Director



Mr. Mollah M Amzad Hossain is the founding Executive Director of the Forum for Energy Reporters Bangladesh. He is the former Chairman of the organization. He is one of the members of a National Committee of the government of Bangladesh formed to recommend policy decision on coal exploration. Mr. Hossain has been working in Bangladesh's media sector since 1982. With his long 33 years of experiences, he has been publishing and editing the country's lone energy sector magazine – Energy & Power - since 2003. As he moved to the capital Dhaka from Rajshahi, he joined the Daily Azad, the oldest vernacular daily of the country, in 1988. In 1992, he joined the Daily Banglabazar Patrika and worked as the Chief Reporter.

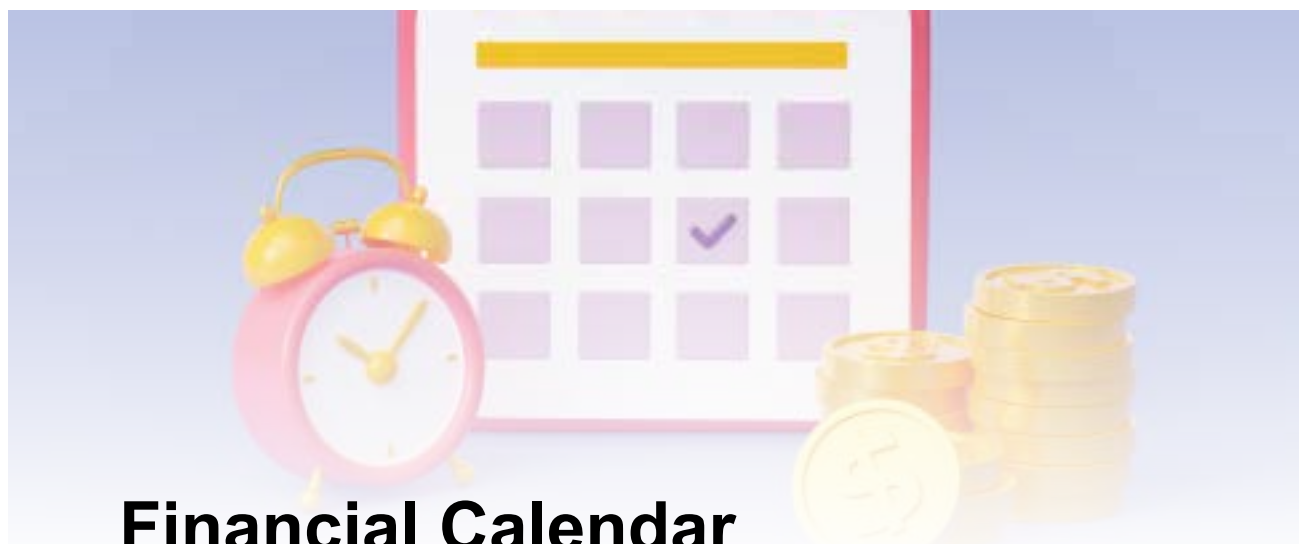
He covered energy, trade and business, environment, politics and aviation sectors during his reporting career and covered several international and regional events in the fields of energy and, trade and business. During his colorful career, he involved himself with the Association of Development Agencies in Bangladesh (ADAB), an umbrella platform for more than 12 hundred of development organizations, as Media Relations Consultant. He also worked for the daily Amader Shomoy as Deputy Editor and the daily Amader Orthoniti as acting Editor. The Energy & Power has been the Media Partner of the German GIZ Since 2006 for promotion of Renewable Energy, Energy Policy, Energy Efficiency and Conservation. The paper is also working as Media Partner of UNDP Bangladesh and Petrobangla.

Mr. Abu Taher Mohammad Ahmedur Rahman

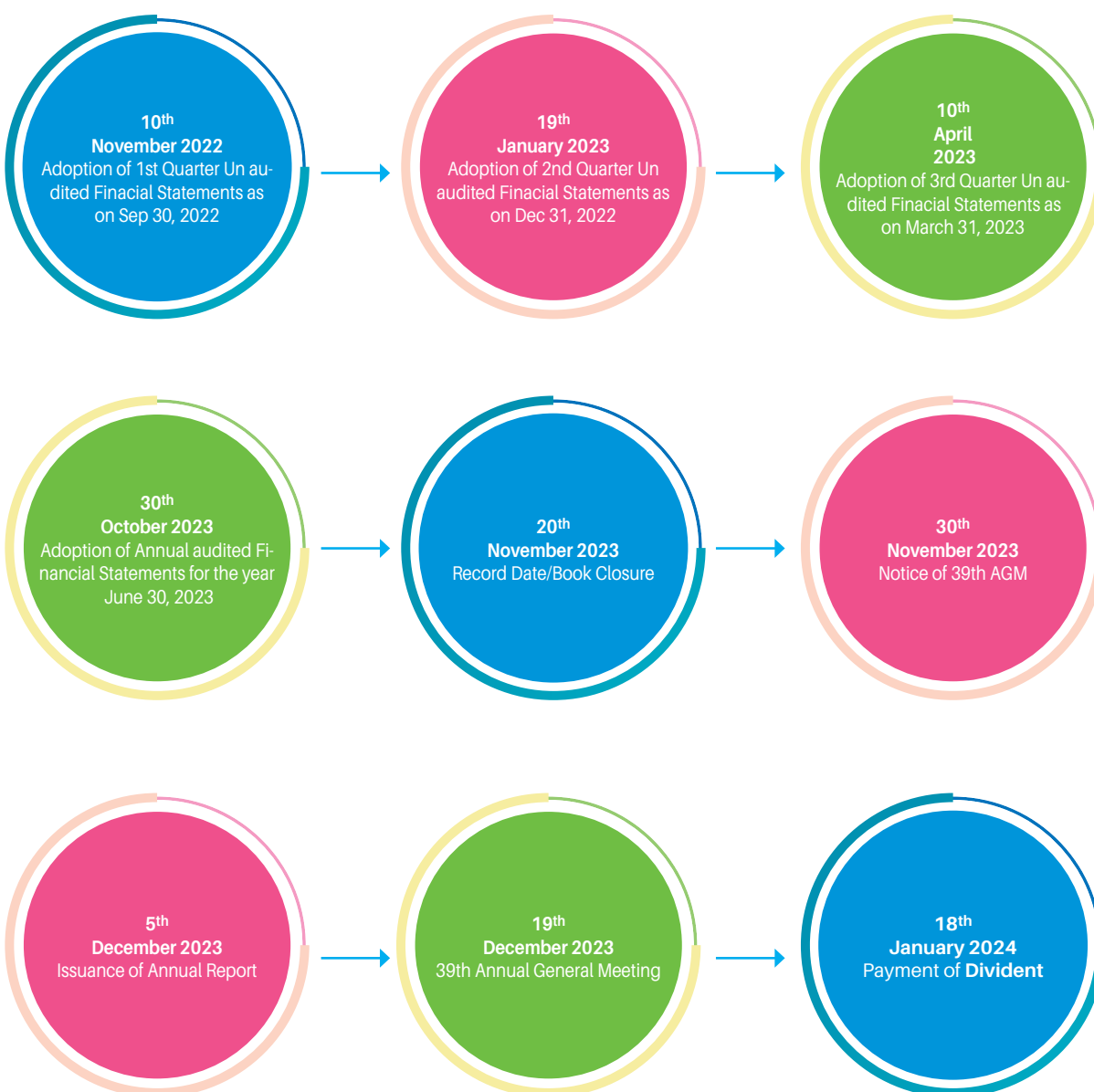
Nominated Director



Mr. A.T.M. Ahmedur Rahman has been appointed as the Chief Executive Officer of ICB Asset Management Company Ltd. (ICBAMCL) on 09 May 2020 by the Govt. of the People's Republic of Bangladesh. He is a General Manager of Investment Corporation of Bangladesh (ICB). He joined in ICB as a Senior Officer in 1989. He completed his B.Com (Hons.) and M.Com degree in Finance from Dhaka University. He is also an MBA from IBA, Dhaka University. Mr. Ahmedur Rahman during his tenure in ICB served in different departments, divisions and branches including Accounts, Economic and Business Research, Securities Analysis and Portfolio Management, Finance, Equity and Entrepreneurship Fund Management and contributed a lot. He also served as a Deputy Chief Executive Officer in ICB Securities Trading Company Ltd.-a subsidiary of ICB. Mr. Ahmedur Rahman during his long services in ICB took part in different local and foreign training programs on different topics.



Financial Calendar



Financial Highlights

2022-2023

Revenue
Tk. 179, 105,571

Net Profit after tax
Tk. 1,663,341

Net Asset Value per share
Tk. 76.43

Earnings per share
Tk. 0.32

Net operating cash
flow per share
Tk. 0.42



Message from the Chairman



Bismillahir Rahmanir Rahim
Assalamu Alaikum

Dear Shareholders

It's my immense pleasure and a matter of privilege to welcome you all to an auspicious occasion i.e. the 39th Annual General Meeting (AGM). Under the uncertain and challenging circumstances, I thank you all for making the time to attend this AGM through a virtual platform. It is also my pleasure to place the Annual Report of Kay & Que (Bangladesh) Limited along with the audited Financial Statements and Auditors' Report thereon for the year ended on June 30, 2023. I am proud of your kind & regular association with us which helps us to strive for excellences.

Business Review

Every day comes up with a fair share of challenges and opportunities as well. There may have lots of negativism but the best thing lies with turning the negative issues into positive outcomes. Though disastrous pandemic has become less deadly in recent times, our business ride in 2022-2023 was a bumpy one for sure due to govt.'s lockdown plans and related consequences whatsoever. However, during the Financial Year (FY) the sales revenue from CNG unit has decreased as compared to the same of the previous year whereas the sales volume followed by revenue generation from Natural Sant and Stone unit has increase amounting to BDT 84,632,446 Overall revenue generation of the Company during this year has decreased as compared to the previous year's and at the same time our company management was economic in incurring selling, marketing and administrative expenses. As a result, this year our profit before tax has stood at BDT 2,752,858 and Earning Per Share (EPS) has decrease to BDT 0.32 as compared to BDT 0.59 in the FY 2021-2022.

As part of policy and consideration of the shareholders interest, the Directors and Management of your company all the time kept focus on how to figure out and present best output for the shareowners of the company. Based on that policy along with Dividend Policy, your Board of Directors is pleased to recommend 3% Cash Dividend for the year 2022-2023, It is to be noted here that the Board of Directors recommended 5% interim cash Dividend for the year 2021-2022, 5% stock dividend in 2020-2021 whereas in the year 2019-2020. the recommended dividend was 4% Cash Dividend per share.

Company Management

Your Company is supervised by a visionary board of qualified members and managed by a proactive management team headed by the Managing Director. They all have effectively sought for rigorous accomplishment of policies and practices which upholds a culture of integrity, diversity and compliance that meets highest level of transparency, accountability and disclosure. The Board and Management are clearly guided by Vision and Mission Statements of the Company. I assure you that your Company doesn't keep the compliance in paper works only rather it ensures the implementation of the same everywhere.

Board Room Governance

Your Board of Directors adopted the Corporate Governance Code 2018 issued by the Bangladesh Securities and Exchange Commission (BSEC). During the year, the Board reviewed and updated the Terms of References (ToR) of the Audit Committee and the Nomination & Remuneration Committee to the Board in line with the Corporate Governance Code- 2018 and finalized a complete Dividend Policy Statement in compliance with the notification of BSEC dated 14th January, 2021 with an objective of ensuing good governance practice in the Company. All the three Sub-committees to the Board work based on the statutory and other relevant framework as fixed for them.

In Pursuant to Bangladesh Securities and Exchange Commission Corporate Governance Code 2018, the company is still required for one additional Independent Director in the Board. In this respect, the NRC has been working relentlessly to recommend a suitable and qualified professional to be appointed as Independent Director.

Future Expansion

we have also envisioned some business growth plans for the company. Along with the existing CNG Station we have embarked upon completing the formalities too add LPG filling and Fuel filling services on our premise, which will make us a one stop station for all types of vehicles. There is also an active consideration to finalize a plant for additional value added food products.

Conclusion

I do convey my heartfelt thanks to the Members of the Board for their business acumen and prudent guidelines. At the same time, I like to share my sincere greetings to the management team and all employees for their relentless efforts and persistence in maintaining the company's operations and delivering greater value for our shareholders. I would also like to express my gratitude and appreciation to all our business partners and regulatory bodies, specially the Bangladesh Securities and Exchange Commission (BSEC), for their collaboration, support & guidance to facilitate the smooth operation and compliance of the company. We always believe a greater shareholders' engagement acts as a competitive edge to our strive for growth.



Abdul Awal Mintoo
Chairman



DIRECTORS' REPORT

Dear Valued Shareholders,

The Directors have the immense pleasure and privilege in presenting the Directors' Report together with Auditor's Report including the relevant Compliance Report and the Audited Financial Statements of Kay and Que (Bangladesh) Ltd. for the year ended 30th June, 2023.

This Report affirms compliance of Corporate Governance Code - 2018, relevant laws & regulations, directives, notification as guided and directed by BSEC and Companies Act, 1994 and industry best practices along with all applicable Financial and accounting standards being exercised in presentation of the Company's financial statements as well as on operation.

This report has been prepared in compliance with section 184 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006- 158/207/Admin/80 dated 03 June 2018. For understanding and information of the shareholders, we have included present status as well as the ongoing restructuring activities and the future business plans of the company.

Company performance:

Aspiration for ICT orientation:

With the passage of time, we all have understood the importance of being digital both in personal and business affairs, transactions and products & service facilitations. This is a matter of sincere recognition that the directors succeeded in making the valued shareowners understand the importance and business prospects of digital reforms. As Kay & Que (Bangladesh) Limited is amalgamate with MultiSourcing Ltd (an ICT based Pvt. Ltd. company) we can see a ray of hope that the income generation from the ICT wing will boost up the company's overall profit performance which will subsequently hit to the valued shareowners interest.

Regarding Amalgamation process, the certified copy of order of Amalgamation of Kay & Que (Bangladesh) Limited with MultiSourcing Limited was received on May 06, 2019 from the Hon'ble High Court Division of Supreme Court of Bangladesh. After receiving the court order, Bangladesh Securities and Exchange Commission (BSEC) filed a Civil Petition for Leave of Appeal before the Appellate Division of the Supreme Court against the judgment and order passed by the High Court Division. The company started working on the grounds of appeal sought by BSEC so that the amalgamation attempt taken by the company for the greater interest of the shareholders Hon'ble Appellate Division of Supreme Court of Bangladesh has reconfirm vide Civil Petition for leave to Appeal No:1575 in 2019 Issued on 01.01.2023, the Scheme of Amalgamation of MultiSourcing Limited [The Transferor Company] with Kay & Que (Bangladesh) Limited [The Transferee Company] approved on 17th October, 2018 by the Shareholders and Creditors in the respective Extra-Ordinary General Meeting (EGM) & the Creditors Meeting. Both the meetings were held on Wednesday, 17th October 2018 at Hotel Sundarban as per the said order.

This is to mention here that Bangladesh Securities and Exchange Commission has accorded its kind consent as on 17th July 2023 Vide Memo No: BSEC/CI/CPLC (Public)-1072/2023/1339 under the provisions of the Securities and Exchange Commission (Issue of Capital) Rules, 2001 for raising the paid-up capital of Kay & Que (Bangladesh) Limited from existing Tk. 51,476,560/- to Tk. 68,559,309/- by issuing 1708275

nos. of ordinary shares @ Tk. 10/- each totaling Tk. 17,082,750/- (Taka One Crore Seventy Lac Eighty Two Thousand Seven Hundred Fifty) only to Shareholders of Multisourcing Limited in accordance with the Securities and Exchange Commission (Issue of Capital) Rules, 2001 as per the Scheme of amalgamation approved by the shareholders and the High Court Division of the Supreme Court of Bangladesh.

Amentment of Memorandum and Articles of Associations:

The Hon'ble Company Bench of High Court Division of Supreme Court of Bangladesh has been allowed to amend the objective clause of Memorandum and Articles of Associations of Kay & Que (Bangladesh) Ltd., being the Company Matter No. 201/2021 Dated 19.11.2023.

Kay & Que IT Unit:

The Kay & Que IT Unit acts as a multifaceted software, digital solutions, and value added service provider.

In addition to the above services Kay & Que IT Unit provides quality content, VAS and IVR (Interactive Voice Response Services), Text Based Services, Premier Services, GPRS Contents, and Large Scale Enterprise Software/Hardware Turn Key Solutions.

There are several different engagement models- including SaaS (software as a service), BOT (build operate transfer), BOO (build own operate), and PPP (Public Private Partnership).

The unit has developed customized and unique web solutions starting from simple corporate websites to E-Commerce solutions. Additionally, it provides cyber security solutions.

LPG Filling Station:

Besides our previous CNG operation, we applied for a LPG Filling business on 30.10.2021 as our additional business plan with CNG Filling station. We got permission for LPG Filling station against Memo No. 101-2(uma)-0158/3425 by the Department of Explosive Date 24.04.2022. Our previous Commission on CNG was Tk.8.00 per liter now we will add Tk. 10.00 per liter as commission for LPG.

Fuel Filling Station:

Besides our previous CNG and Diesel Business, We applied for POL to the BPC on 21.06.2021. We got permission for a Fuel Filling station against Memo No. 28.22.2666.283.24.001.22.695 by Padma Oil Company Ltd. (A subsidiary of Bangladesh Petroleum Corporation) Date: 24.04.2022. By Providing this service we will get a commission of Diesel Tk. 2.99. Octane TK. 5.30 and Petrol TK. 5.16 per Liter for Diesel, Octane and Petrol.

Civil work in Progress:

After Obtaining Permission for LPG and POL (Octane, Petrol and Diesel) we have started Civil Construction work for Storages and supplying POL in our premises. POL stat operation from June-2023 and LPG expecting it would be finished by February 2024 and will start operation by March 2024.

Natural Sent & Stone business:

Under the supervision of the directors the Management planned and subsequently ran the boulder business by importing Stones from Bhutan and India. For the smooth implementation of the business plan the company has availed the following loan facilities:



Nature of the Loan	Loan Limit (Tk.)
Bai Muazzal (Commercial) Trading	36,000,000
HPCM (Refinance)	20,000,000
LC Sight (Revolving) (Non Funded)	22,000,000.00
BMW (Refinance)	25,000,000
Total	103,000,000

The company attempts to maintain its supply of materials by importing stone chips from Bhutan and India. The area of about 1.5 acres land was taken as lease at Burimari Land Port. The imported stone chips natural & stone are stored in the leasehold premises and sold out from the spot. During the year (2022-2023), the sales revenue stood at Tk. 84,632,446 as compared to Tk. 30,657,564 in the year of 2021-2022.

Land lease to CG Foods (Bangladesh) Limited:

Due to long stoppage of operation, most of the raw materials and machineries became obsolete. In this circumstances, the shareholders raised a demand to sell out the machineries in its 31st Annual General Meeting held on 21 June, 2015 and urged to the Board of Directors to diversify the operation or to find out a feasible way to generate income from the said abandoned units and also demanded to dispose of the damaged materials of the company.

Considering all the circumstances, the company had agreed on the offer for lease out 114,680.00 Sft land to CG Foods (Bangladesh) Ltd. for a period of 15 (fifteen) years. From 1st July 2022, they left 34,680 sft Sepace as unused so current lease rent 80.00 sft as per below schedule and advance equivalent to one year's rent.

Tenure	Factory Premises (Per Sft. Rent In Tk.)	Office Building (Per Sft. Rent In Tk.)
First 3 (three) years	Tk. 8.00	Tk. 12.00
Second 3 (three) years	Tk. 9.20	Tk. 13.80
Third 3 (three) years	Tk. 10.40	Tk. 15.60
Fourth 3 (three) years	Tk. 11.60	Tk. 17.40
Final 3 (three) years	Tk. 12.80	Tk. 19.20

Land:

The total area of Land of Kay & Que (Bangladesh) Limited is 3.87 acre, out of which 1.61 acre is clear land, 1.83 acre is vested under Schedule KHA and 0.43 acre is under Schedule KA. The land under Schedule KHA has been released from the list and now it's a clear land. Mutation has been done and Land Tax has been paid for all clear land. Case has been filed for release of 0.43 acre of land. The case is pending. Out of the total Clear land a dispute has been received for 1.20 acre of land which will be resolved amicably.

Marketing Activates:

As of current state of affairs of the company, it has been dealing with a CNG station, Rental income from lease of factory premises & Sales revenue from Boulder & Stone chips. Here, it is mentionable that there are no significant marketing activities required for CNG business. Because, it is based on direct demand & supply mechanism where customers do not bother that much about promotional activates. Rather Word

of Mouth (WoM) and Location advantage have had remarkable impact over CNG usage, sales turnover & profit as well. Eventually, the CNG station has been enjoying the positive impact of both Word of Mouth (WoM) and Location advantage since its inception.

On the other hand, lease rental income also doesn't require any considerable marketing efforts whatsoever. It's a matter of vigilant and opportunistic mindset of the company's management by which Kay & Que (BD) Ltd. has successfully skipped the possibility of loss-burden estimation through the lease rental agreement with CG Foods (Bangladesh) Ltd.

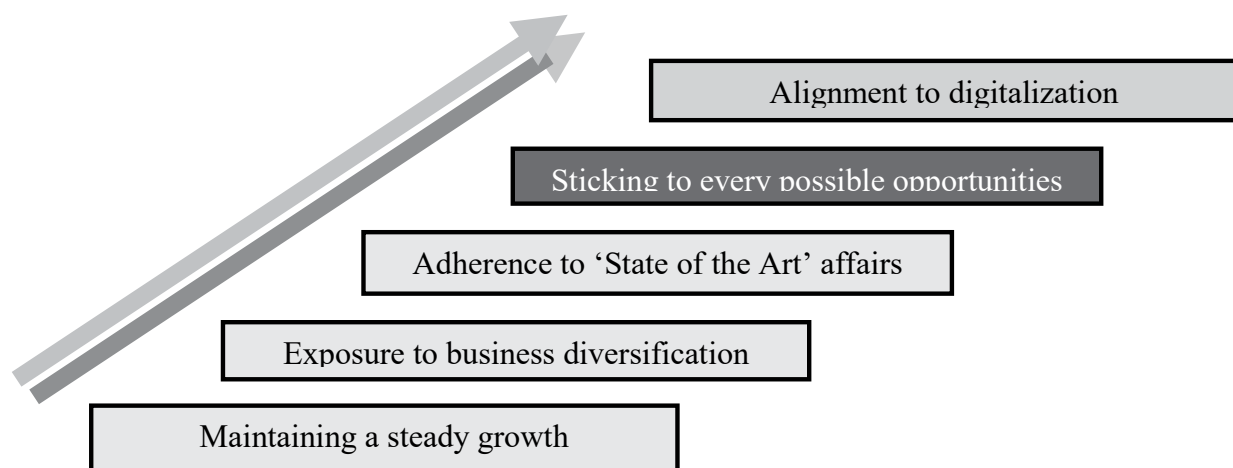
Boulder and Stone chips is another window of opportunity for the company. Though there are no remarkable marketing efforts, this business wing started to shine with a ray of hope and fair share of positive business growth. But, that doesn't necessarily confirm that Boulder and Stone chips doesn't require any marketing endeavors. Basically, this business unit's marketing efforts are based on One to One communication, Regular & Occasional visit to the actual and potential customers. In addition, Business to Business (B2B) along with options for Business to Government (B2G) channels where Word of Mouth, Feasible Supply Chain Management, Product Quality & Efficient product delivery efforts get prioritized.

Business Consideration:

The Directors and top management of the Company have been relentlessly putting their agile efforts (based on skeptical mindset) for exploring new project opportunities to make the company financially sound and to work in favor of the greater interest of the valued shareowners.

Objectives:

There is nothing to hide that the Management is concerned about the current economic condition of the country and the world as well. This is because we all are experiencing a different business and economic trend and this may be going to last till the end of the worldwide pandemic COVID-19. Though we are facing difficulties in continuation of business activities as compared to before, we would like to hope for not to step backwards. Rather we expect with heartfelt desire to step forward along with our values shareholders to meet & beat the challenges ahead. For this, the Board and the Management have summed up the followings to work on the interest of the values owners of the company.



**Going Concern:**

The directors are of the opinion that there are no significant doubts about the company's ability to continue as a going concern. The Board of Directors has reviewed the business plans and related aspects of the company which has made them satisfied about the company's feasibility in the foreseeable future. Accordingly Financial Statements are prepared on the going concern basis.

Management Discussion and Analysis of Business

During the year company's revenue reached at Tk. 179,105,571/- which demonstrates a DE growth of 54.81% as compared to previous year's revenue of Tk. 96,929,304/- The financial year had experienced loss in terms of profit generation excluding non-operating income received by the company.

The net profit after tax for the year stood Tk. 1,663,341/- which indicates a decline of 55.68% as compared to previous year's net profit after tax stood Tk. 2,987,164/- the profitability status of the company has been decline due to reduce of sales compare with last financial year. On the other side, the cost of goods sold of the company during the year stood at Tk. 174,109,695/- as compared to Tk. 91,224,454/- whereas the sales revenue increase to Tk. 179,105,571/- from Tk. 96,929,304/- by dint of total sales revenue.

The Chairman's Statement on page 20-21 states the company's affairs and highlights important events that occurred during the year. The Financial Review on pages 60 to 85 elaborates on the financial results of the company. These reports are an integral part of the Directors' Report.

Dividend

The Board of Directors has recommended 3% Cash Dividend for the year 2022-2023 notwithstanding a considerable decline profit growth. Besides, the recommended dividend is subject to the approved of shareholders' in the 39th Annual General Meeting. The shareholders approved 5% (interim Cash), 5% (Stock), 4%, 7.5% and 5% cash dividend in the financial year of 2021-2022, 2020-2021, 2019-2020, 2018-2019 and 2017-2018 respectively.

Related Party Transaction

Disclosure of all related party transactions, including adjustments of such transactions, has been provided in the note 26.00 of the notes to the financial statements.

Contribution to National Exchequer:

The company contributes to the national exchequer as a responsible corporate citizen. In the last two year, the contribution jumped to a new height due to dividend payment to the shareowners and subsequent contribution to the National Board of Revenue (NBR). In 2021-2022 the company contributed BDT 8,920,752 to Government exchequer as on 30th June, 2022. During the year of 2022-2023 the company contributed to the Government exchequer as income tax, custom duties and VAT payments amounting to Tk.2,828,502.

Fairness of Financial Statements

The financial statements together with the notes thereon have been incorporated in conformity with the Companies Act 1994 and Securities and Exchange Rules 1987. These statements fairly present the company's state of affairs, the results of its operations, cash flow and changes in equity. In compliance

with the requirements of the Bangladesh Securities and Exchange Commission's Corporate Governance Code 2018, the Managing Director and the Chief Financial Officer have given their declarations about the fairness of the financial statements which is shown on page 41 of the report.

Authentication of Financial Statements

The Annual Audited Financial Statements has been authenticated as per relevant section(s) of Companies Act-1994 on behalf of the Board of Directors by the Chairman, Managing Director, Director, Chief Financial Officer and Company Secretary.

Disclosure on Financial Statements:

The Financial Statements including Statements of Affairs, Profit or Loss Account, Statement of Cash Flows and Changes in Equity have been prepared on a prudent & reasonable basis to reveal a true and fair view of the company.

Proper books of accounts have been maintained

Appropriate accounting policies have been applied on prudent and reasonable judgments in preparing the Financial Statements.

The Financial Statements of Kay & Que Bangladesh Limited for the year ended on June 30, 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;

Minority Shareholders

The company always believes in equal rights of all shareholders irrespective of the number of shares they hold. All the shareholders are provided with quarterly financial statements, the annual Financial Statements with relevant reports and are welcomed to participate at the shareholders' meeting. At the Annual General Meeting, adoption of the annual financial statements and the directors' report, election of the Board members and the appointment of the Auditors are decided upon with the participation and approval of the shareholders respectively.

Board composition:

The Board of Directors of the Company is comprised of 11 (Eleven) directors headed by Mr. Abdul Awal Mintoo as Chairman - one of the successful businessmen in the country. He is assisted by Mr. Tabith M. Awal, the shareholding & Managing Director of the Company including 02 (two) Independent Directors, 04 Non-executive Nominee Directors and 03 non-executive shareholding Directors.

Directors Rotation

As per clause 134 of the Articles of Associations of the Company and also complying with the Provision of The Companies Act-1994, one third (1/3) of the Directors are to retire by rotation in this Annual General Meeting. Accordingly, Pragati Insurance limited -represented by Md. Rezaul Karim, Pragati Life Insurance-represented by-Mr. M. Jalalul Azim and Mr. Tajwar M. Awal are proposed to be retired in the 39th Annual General Meeting. As per section 135 of the Articles of Association of the Company, being eligible for re-election, they have offered their candidature to be re-elected. The Board recommends their re-appointment.



Information about Appointment of Independent Director

In compliance with the conditions of Corporate Governance Code, 2018 of Bangladesh Securities and Exchange Commission, every listed company is required to appoint 1/5th of the total Directors in the Board as Independent Director and any fraction thereof shall be considered as next integer. In this respect, we are required to appoint one additional Independent Director in the Board to comply with CG Code-2018. So, based on the compliance requirements, the Nomination & Remuneration Committee (NRC) has been working on to find a suitable qualified professional (as prescribed by the CG Code - 2018) to be appointed in the Board as an Independent Director. Since the suitable professional is yet to be found out, we are yet to be complied with the CG Code - 2018. But the Board assures the valued shareholders that within shortest possible time our NRC Committee member shall make us updated on the issue and accordingly we shall also the same for you.

Information about Appointment of Nominated Director

The Security Management Company Limited (SMCL) is a significant institution shareholder of the company. SMCL continues to nominate representative in the Board from time to time to look after their interest. The Board of Directors in its 177th Meeting held on 19th January 2023 accepted the Letter of nomination of Mr. Mahbub Anam on behalf of SMCL in replacement of Mr. A.K.M Rafiqul Islam ,FCA

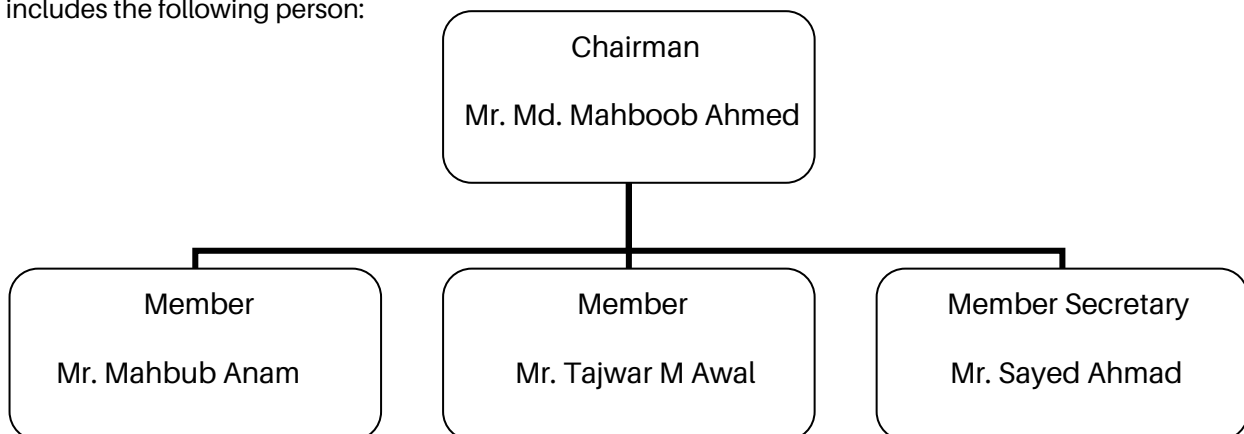
Board of Directors Committee

To ensure sound governance the Board of Directors of the company established the following three sub-committees:

- i) Audit Committee
- ii) Remuneration & Nomination Committee
- iii) Corporate Social Responsibility Committee

Audit Committee:

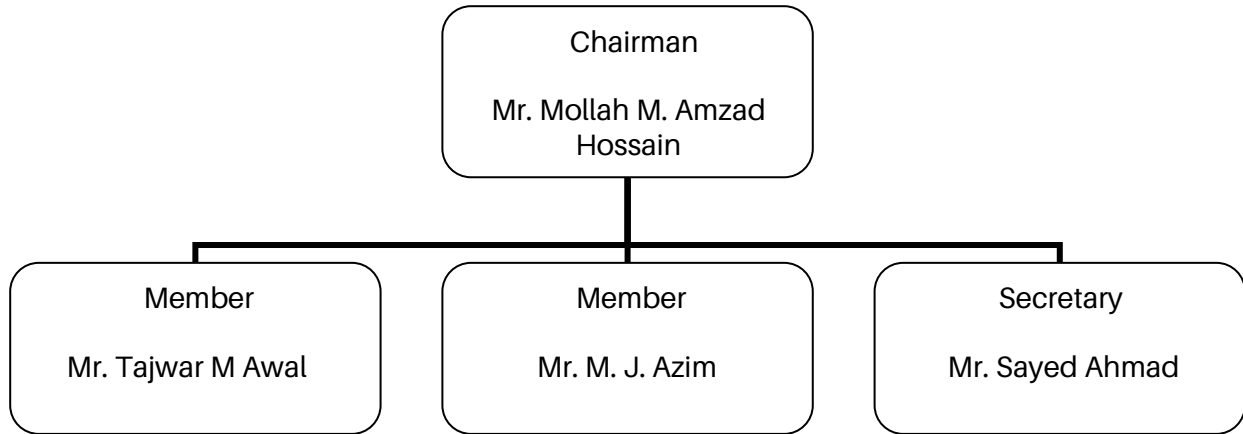
Ensuring the compliance with condition no. 5(2) of Corporate Governance Code-2018, directed by Bangladesh Securities and Exchange Commission of Bangladesh; the Board Composed an Audit Committee which is comprised of 03 (three) members headed by an Independent Director. The committee includes the following person:



During the year the committee met 05 (Five) times to transact its assigned duties and responsibilities. Mr. Sayed Ahmad arranged the meetings and was present in all the meetings held throughout the year.

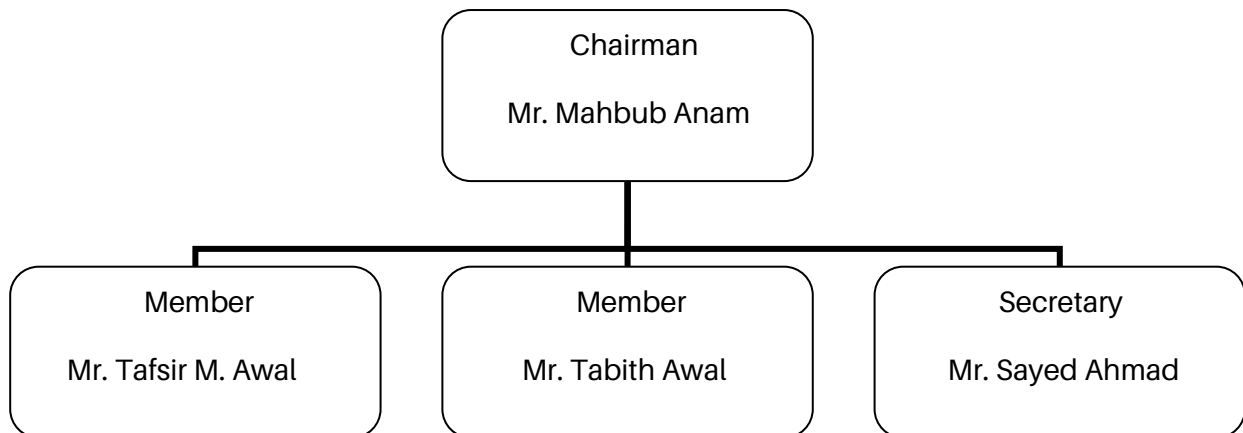
Remuneration & Nomination Committee:

As per condition no. 6(2) of Corporate Governance Code, 2018 of Bangladesh Securities and Exchange Commission, the Board is comprised of with 03 (three) non-executive Directors. The constituents of the committee are Mr. Mollah M. Amzad Hossain, Chairman of the committee who is an Independent Director; Mr. Tajwar M. Awal, member and Mr. M. J. Azim member who is a Nominee Director. Mr. Sayed Ahmad contributed to the committee as Member Secretary. The Nomination & Remuneration committee arranged 02 (Two) meetings during the year.



Corporate Social responsibility committee:

The Board constituted a Corporate Social responsibility (CSR) Committee as a sub- committee of the Board. The committee was comprised of 03 (three) members where Mr. Mahbub Anam, Nominee Director of the company, is the Chairman of the committee. Besides Mr. Tabith Awal Managing Director and Mr. Tafsir M. Awal Shareholding Director are the members of the CSR committee. The members of the Corporate Social responsibility (CSR) Committee sat for 02 (two) times during the year. Mr. Sayed Ahmad acted as Member Secretary of the committee and was present in all the meetings held.





Board and Committee Meetings and Attendance

During the year, there were 05 (five) meetings of the Board of Directors taken place. The Audit Committee met five times, the Nomination & Remuneration Committee met twice and the Corporate Social responsibility (CSR) Committee met twice as well. The attendance record of the Directors is shown in Annexure-II of this report. The Directors who could not attend the meetings were granted leave of absence. The secretary to the Board and Committees to the Board maintained proper antiquates of meetings and kept records as to the compliance of prevailing relevant laws and guidelines available.

Pattern of Shareholding

The pattern of shareholding of the company has been provided in Annexure-I on page 56.

Remuneration to Directors

This information is incorporated in the Notes 30 of the notes to the financial statements on page 83 with reference to the “Payment of remuneration and perquisites to Directors and Officers” mentioning figures concerning the remuneration of the Managing Director including fees for the Independent Directors’ attendance to meetings.

System of Internal Control:

The internal control structure of Kay & Que (Bangladesh) Limited consists of the design, policies and procedures established to provide reasonable assurance fulfilling the following objects:

- ✓ Implementing its policies complying with the applicable laws regulations of the country.
- ✓ Ensuring effective and efficient operations.
- ✓ Providing correct and reliable information through maintaining proper accounts.
- ✓ A robust internal audit and review system.
- ✓ Strict conformance to the policy and standards.

Corporate Governance Compliance Report

Kay and Que (Bangladesh) Limited adhered to the Corporate Governance principles, as described on pages 33 to 36. The Company also complied with all the requirements of Corporate Governance as required by the Bangladesh Securities and Exchange Commission. Accordingly, Corporate Governance Compliance Report is shown in Annexure-C of this report. Further in compliance with the requirement of the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code 2018, Masud Muhammad & Co., Chartered Accountants in Practice, issued the Corporate Governance Compliance Certificate which is shown on page 45 of the report.

Auditors

i) Statutory Auditors

As per section 210 of the Companies Act 1994, the company’s statutory Auditors M/s. A. Wahab & Co., Chartered Accountants retires at the 39th Annual General Meeting as auditors of the Company. Pursuant to Bangladesh Securities and Exchange Commission (BSEC) order no. BSEC/CMRRCD/2006-158/208/

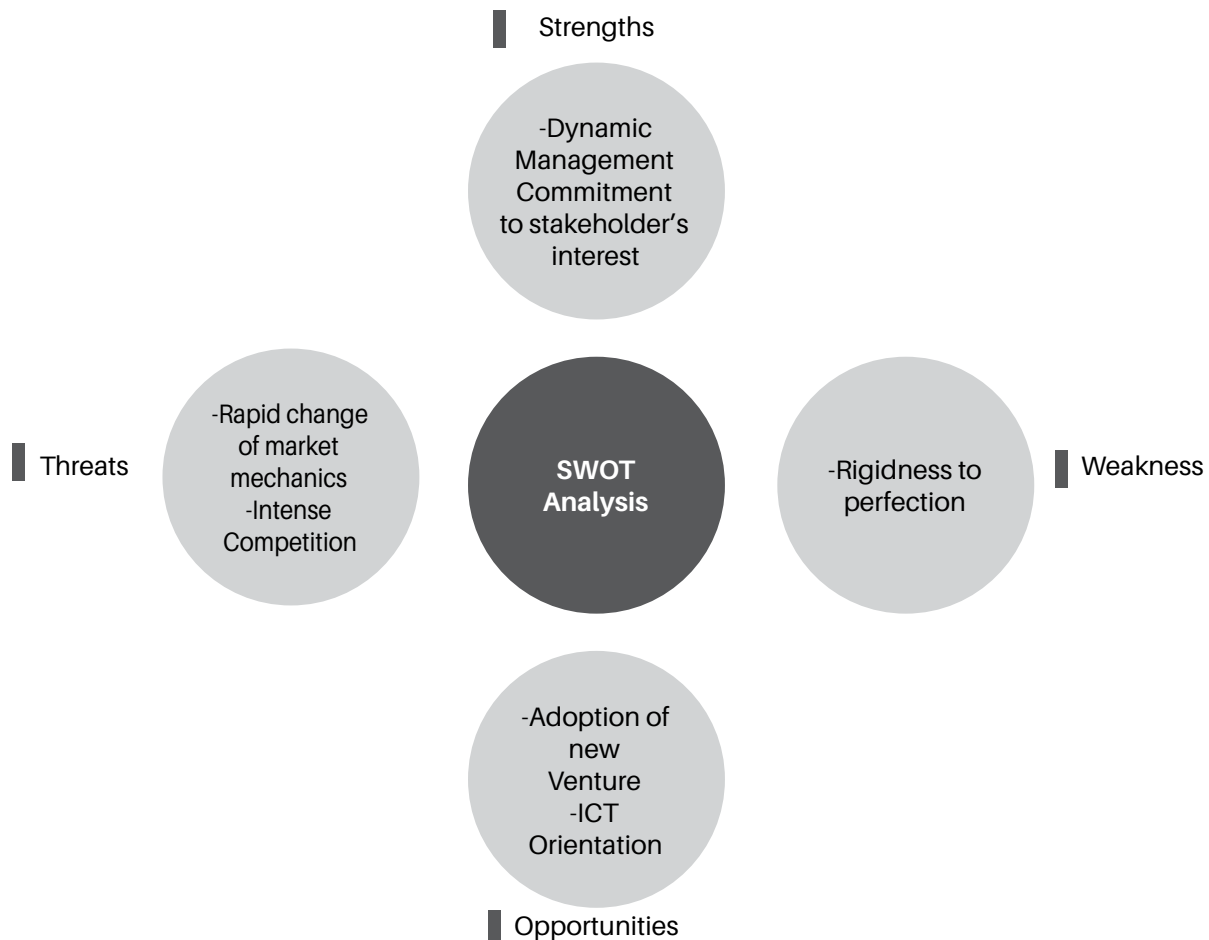
Admin/81 dated June 20, 2018 the retiring Auditors are eligible for reappointment as Statutory Auditors M/s. A. Wahab & Co. Chartered Accountants has expressed their written interest to become Statutory Auditors of the company for the Financial Year 2023-2024. As per recommendation of the Audit Committee to the Board of Directors in its 180th meeting has recommended the appointment of the mention Audit Firm with remuneration of Tk. 100,000/- subject to the approval of the shareholders in 39th Annual General Meeting.

ii) Compliance Auditors

The existing Compliance Auditor Masud Muhammad & Co., Chartered Accountants has expressed their interest to be re-appointed as the Compliance Auditor for the next period. The Board of Directors in its 180th meeting held on 26th October, 2023, has recommended the appointment of the mentioned Audit Firm subject to the approval of the shareholders in 39th Annual General Meeting.

SWOT Analysis

Every business organization whether Profit concern or Not for Profit concern has one thing in common that is they have Strength, Weakness, Threat & Opportunity factors to be considered. The analysis based on these factors is crucial for the managements to take decisions beneficial to them & owners as well. However, the following graph represents the SWOT analysis of Kay & Que (Bangladesh) Limited:





Achievements

Kay & Que (Bangladesh) Ltd. is not only an ISO certified Company, but also it became a member of the Sub-Committee of UN Global Compact. It also has taken initiatives to become a Socially Responsible Manufacturing Organization.

Environmental Protection

To the best of the Board's knowledge, the company was not engaged in any activity which might go against the interest of the environment.

Conclusion

The Board would like to express its sincere appreciation and gratitude to all employees of Kay & Que (Bangladesh) Limited for their contribution and at the same time, thank all the stakeholders for their continuous support and confidence. We would also like to express our heartiest gratitude to the community where we operate. We wholeheartedly expect to overcome the current and all future possible challenges together and to get support from our very own shareowners and all stakeholders including respected regulatory bodies.

Abdul Awal Minto
Chairman

Tabith Awal
Managing Director

Corporate Governance

Corporate Governance broadly refers to the mechanisms, relations and process by which an entity is controlled and directed; involves balancing the many interests of the stakeholders of an entity. Kay & Que (Bangladesh) Limited's corporate governance is broadly covered by protecting the interest of investors through complying and following its own regulations, BSEC rules, directives, guidelines and law of the country.

The company not only mere adopt the Corporate Governance Code-2018 but also believes in proper and full implementation of the said code. It is committed ensuring the highest standards of corporate governance at all times as a trustee of all the shareholders interest. Transparency accountability is the values and philosophy of the company. This report depicts the company's corporate governance the process and structure which is embedded with setting the company's vision providing leadership, supervising the management and reporting the shareholders under the purview of the laws & rules and regulations prevailing in the country.

Corporate Governance Framework

The management is always aware to ensure a continued commitment for getting the essence of sound corporate governance. Corporate Governance framework has been developed and enhanced based on the basic principles and best practices outlined in the following:

- Notification on Corporate Governance of Bangladesh Securities and Exchange Commission (BSEC)
- Articles of Association of Kay & Que (Bangladesh) Limited
- The Companies Act 1994 and other applicable regulations of Bangladesh
- Dhaka and Chittagong Stock Exchanges Listing Regulations
- Bangladesh Secretarial Standards issued by ICSB
- Standards of Business Conduct, Policies and Guidelines of the Company
- Statement of Risk Management and Internal Control of the Company
- Statement of Delegated Authorities of the Company
- Local and global best practices and
- Applicable Laws of the land

The Board and management had always been fully adherent with the above mentioned corporate governance principles and best practices. This Statement on Corporate Governance, together with the Statement on Risk Management and Internal Control, sets out the manner how the Company has applied the governance principles and best practices. The Board reviews the standards of business conduct, Terms of Reference (ToR) from time to time for applying the highest standards of governance, embracing best corporate practices.

The Board also believes that sound corporate governance framework and practices may work positively in establishing company reputation which is a valuable asset for the company. As a result, adherence to sound corporate governance gets significant priority at all times both in and out the Board room.

Board practices

The Board of Kay & Que (Bangladesh) Limited is comprised of 11 (eleven) Directors including 02 Independent Directors. The members of the Board are well qualified, expert and enriched with diverse backgrounds. They are contributing to the Board independently with substantial essence and importance



to the board room decisions. They contribute to the company's strategy and policy formulation in addition to maintaining its performance. The profiles of all members of the Board are given on pages 10 to 17.

Responsibilities of the Board

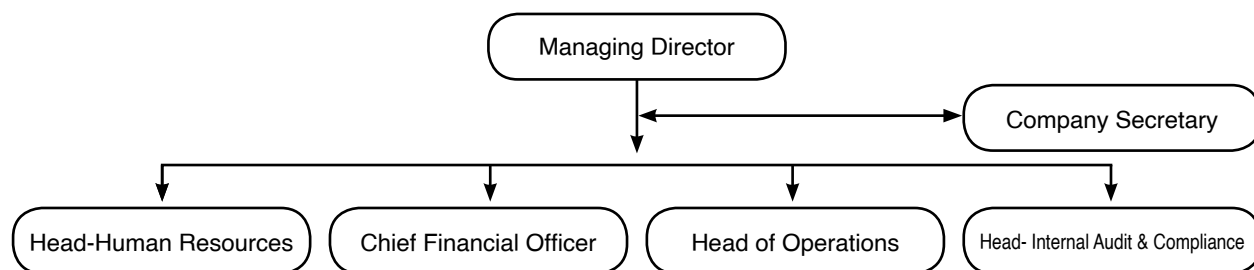
The Board establishes structures and processes to fulfill Board responsibilities that consider the interests of investors, regulators, management and employees among others. The major responsibilities of the Board are as follows:

- Formulating the long term strategy and setting Goals and Direction
- Overseeing Management and appointment of top management
- Evaluating Strategy and Reviewing Management Performance
- Reviewing Management Succession Planning
- Monitoring and Managing Potential Conflicts of Interest
- Ensuring the Integrity of Financial Information
- Monitoring the Effectiveness of Board Governance Practices
- Ensuring compliance to applicable laws and regulations
- Ensuring adherence to Company Policies and Guidelines
- Reviewing Risk Assessment and Ensure integrity of Company's Financial Reporting
- Pursuant to the companies laid down policies and guidelines the Board is also about to decide on the following business transactions and activities:
 - Acquisition, disposal or closure of a business
 - Establishment of new business
 - Proposal of borrowing
 - Any corporate restructuring not covered by any of the above paragraph

The Management

The management is comprised of high level of individual experts from different fields. They play a significant role providing the necessary leadership to enable achievement of business objectives complying the corporate governance code under corporate governance framework, ensures the sound internal control as well as report to the board about the implementation on different business plans & strategy led by the Managing Director.

The management team comprises of the following members:



As a part of accountability the management of the company reports to the board on various day to day business operations, duties & responsibilities.

Independent Directors

As per Corporate Governance Code of Bangladesh Securities and Exchange Commission (3 June 2018), the Company appointed 02 Independent Directors in the Board. The Independent Directors are:

- i) Mr. Md. Mahboob Ahmed
- ii) Mr. Mollah Mohammad Amzad Hossain

The professional resumes of the Independent Directors have incorporated in the Annual Report. The appointment of Mr. Mahboob Ahmed as Independent Director was confirmed by the shareholders present in the 36th Annual General Meeting held on 17th December, 2020. The new Independent Director's profile has been incorporated in the Directors Reports. However, as to compliance with the Corporate Governance Code of Bangladesh Securities and Exchange Commission (03 June 2018), the Company is yet to appoint one additional Independent Director in the Board. In this respect, the Nomination and Remuneration Committee (NRC) – sub-committee to the Board, is working on this issue and we hope to be compliant soon thereof.

Chairperson & Managing Director

Ensuring the compliance with Corporate Governance Code-2018 of Bangladesh Securities and Exchange Commission dated June 03 2018, the company appointed separate Chairman and Managing Director in the Board. Mr. Abdul Awal Minto is the Chairman and Mr. Tabith Awal is the Managing Director of the company. In compliance with the Companies Act 1994, The Managing Director of the Company was re-elected for another term i.e. 05 (five) years' time in the 36th Annual General Meeting of the Company.

Chief Financial Officer, Company Secretary and Head of Internal Audit

In compliance with the Corporate Governance Code-2018 of Bangladesh Securities and Exchange Commission the board filled up three important positions as follows:

Mr. Kazi Ekramul Hoque	-	Chief Financial Officer (CFO)
Mr. Sayed Ahmad	-	Company Secretary
Mr. Shamsur Rahman	-	Head of Internal Audit & Compliance

Board Committee

The Board of Directors formed sub-committee in compliance with Corporate Governance Code 2018. Currently there are 3 committees in the Board namely the Audit Committee, the Nomination & Remuneration Committee and the Corporate Social Responsibility Committee. Details of the committees have been incorporated in the Directors' Report.

i) Audit committee

As per the condition no. 05 of the Corporate Governance Code-2018 Audit Committee to the Board was constituted by the Board. The committee is comprised of 03 members headed by an Independent Director. The Independent Director acted as the Chairman of the committee. During the period the committee attended 04 (four) meetings. The company secretary was present in all the meeting as secretary to the audit committee.

ii) Nomination & Remuneration Committee

The Board constituted the Nomination & Remuneration Committee headed by an Independent Director.



During the period the committee arranged 02 (two) meetings where the Company Secretary was present as the Secretary of the sub-committee.

iii) Corporate Social responsibility Committee

The company is quite aware of the social responsibility and contributed for the implementation of the initiatives suggested by the Board. In connection with that a CSR committee has been formed by the Directors of the company. The Committee sat for discussion on the CSR issues at least one time throughout the financial year.

Company Secretary

As per the Corporate Governance Code-2018 issued by BSEC, the board has appointed a company Secretary in order to maintain the necessary link and liaison with the internal organs as well as external agencies. Being a compliance officer the company, company secretary drives corporate compliance ensuring the effective functioning of the Board. Mr. Sayed Ahmad contributed to the Board and Sub-committees to the Board as Company Secretary and Member Secretary respectively being appointed by the Board on 26 April 2022.

The brief roles of the company Secretary are following:

- a) Maintaining a linkage between the Board, Management, shareholders and other shareholders on matters of corporate interest in a transparent way.
- b) Ensuring Compliance to the acts, rules regulation, notifications, guidelines, orders /directives etc. as and when issued by of Bangladesh Securities & Exchange Commission (BSEC), Listing Regulation of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).
- c) Organizing Board Meeting, Committee Meeting, AGM and EGM; publication & distribution of the Annual report under supervision as well as publication of PSI of publicly listed companies as per rules & regulations.
- d) Communicating with the stakeholders, provide efficient service to the shareholders through responding to their queries and requests.

Auditors

On the basis of the report of the Audit committee, the Board has recommended A Wahab & Co. Chartered Accountant as Statutory Auditor for the period of 2023-2024 upon the approval of the shareholders in the 39th AGM. The Board also recommended Masud Muhammad & Co. as a Compliance Auditor for a period of 2023- 2024.

Maintaining the website of the company

Kay & Que (Bangladesh) Limited has been maintaining the website i.e. www.kayandque.com. All the informations including Price Sensitive Information of the company are available in this website. The management of the company is working on making the website more investor friendly.

Reporting and Compliance of Corporate Governance

The Company has obtained a certificate from a Practicing Chartered Account, Masud Muhammad & Co. which has reviewed the Company's relevant governance & compliance issues. A copy of the awarded certificate has been annexed in this Annual Report.

Chairman

Managing Director

Internal Control & Risk Management

Internal Control Internal control is a process for assuring achievement of an organization's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies.

The internal control system at Kay & Que (Bangladesh) Ltd. is based on annual operational planning, ongoing management accounting and control, as well as regular board meeting and reporting to the Regulatory bodies. Annual Planning defines budget on the basis of Micro economic analysis, its assessment of market conditions and cost targets. From this, specific targets are derived for individual operating units and setting targets.

The indicators used for this purpose are determined and presented uniformly in the Kay & Que (Bangladesh) Ltd. Reports on financial status and selected sales volumes, and production overviews are prepared accordingly. Reports on results of operations and working capital are prepared also in order to monitor cash flow as a key management indicator for the Company. Detailed reports on the assets positions are submitted at the end of each Quarter. At the management meetings, the Management committee discusses business developments, including target achievement, along with the outlook for the relevant year and any measures that need to be taken.

Measures for Identifying, Assessing Risks

In order to identify and assess risks, individual business transactions at Kay & Que (Bangladesh) Ltd. are analyzed using the criteria of potential risk and probability of occurrence. Suitable control measures are then established on the basis of these analyses. Furthermore, organizational measures (e.g. separation of functions in sensitive areas) and ongoing target/actual comparisons are performed for key accounting figures. The established control and risk management systems are not able to guarantee accurate and complete accounting with absolute certainty.

Risk Assessment

Kay & Que (Bangladesh) Ltd. is aware of the opportunities and risks for its business activity. The measures described above play a significant role in allowing Kay & Que (Bangladesh) Ltd. to make use of the opportunities to further develop the Company without losing sight of the risks. Our control and risk management system, standardized across the Company, ensures that any major risks that could negatively affect our business performance are identified at an early stage.

Identification and Assessment of Risks

The process of identifying risks is performed regularly on a decentralized basis by the management in Kay & Que (Bangladesh) Ltd. General macro-economic data as well as other industry-specific factors and risk information sources serve as auxiliary parameters for the Identification process.

Appropriate thresholds for reporting relevant risks have been established for Kay & Que, taking into account the specific circumstances. On the basis of our Company's risk model and according to the defined risk categories, the risks are assessed The risk statement also includes risks that do not have a direct impact on



the financial situation, but that can have an effect on non-monetary factors such as reputation or strategy. In the case of risks that cannot be directly calculated, the potential extent of damage is assessed on the basis of Qualitative criteria such as low risk or risks constituting a threat to the Company's existence.

Risk Management

Kay & Que (Bangladesh) Limited's risk policy is based on the business strategy, which focuses on safeguarding the Company's existence and sustainably increasing its value. Entrepreneurial activity is always forward looking and therefore subject to certain risks, identifying risks, understanding them, and reducing them systematically are the responsibility of the Management Committee & the Board and a key task for all managers individually. Kay & Que is subject to various risks that are not fundamentally avoided, but instead accepted, provided they are consistent with the legal and ethical principles of entrepreneurial activity and are well balanced by the opportunities they present.

The Management Committee of Kay & Que is obliged to set up and supervise an internal control and risk management system. The Board also has overall responsibility for establishing risk assessment systems. The Audit Committee also reviews the effectiveness of the risk management system on a regular basis. The company has imposed transparent regulations to govern competences and responsibilities for risk management that are based on its structure.

A code of conduct, guidelines, and principles apply across the Company for the implementation of systematic and effective risk management. The standardized internal control and risk management system at Kay & Que (Bangladesh) Ltd. is based on financial resources, operational planning, and the risk management strategy established by the Managing Board of the Company. It comprises several components that are carefully coordinated and systematically incorporated into the structure and workflow organization.

The essential elements of the risk management system are:

- Documentation of the general conditions for a methodical, efficient risk management in a Company guideline. In addition to this Risk Management Policy, the Code of Business Conduct is concerned with the code of conduct and compliance standards to be observed.
- Managers are responsible for corporate risk at operational level
- Direct information, reporting and open communication of Quantified risks between the Management committee and company managing Board;
- Standardized and regular reporting to Board.

Report of the Audit Committee

The Audit Committee of Kay and Que (Bangladesh) Limited is a sub-committee of the Board of Directors appointed by the Board of the Company. The Audit Committee comprises of the following Directors -

- | | | |
|--------------------------|---|---------------------------------|
| 1. Mr. Md. Mahboob Ahmed | - | Chairman (Independent Director) |
| 2. Mr. Mahbub Anam | - | Member |
| 3. Mr. Tajwar M Awal | - | Member |

The Committee operates according to the terms of Reference approved by the Board and in compliance with condition 5(6) of Bangladesh Securities and Exchange Commission's Notification no. SEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018. The Committee is accountable for all the Audit activities and report to the Board of Directors of the Company. The Key role of the committee is to monitor, review and examine the financial statements, corporate governance practices, internal control system and risk management activities of operation. Activities of the Audit Committee Meeting:

- i) Reviewed the reliability and consistency of the Financial Statements of the Company to ensure that the Internal Control and Compliance procedure are adequate to present a true and fair view of the Company's state of the affairs for the year 2022-2023.
- ii) Reviewed the Draft Annual Financial Statements of Accounts for the year 2022-2023 which was audited by the External Auditors. Ensured that proper disclosure required under Accounting Standard as adopted in Bangladesh have been made and also complied with the Companies Act 1994 and various rules and regulations applicable to the Company.
- iii) Held constitutional meetings of the committee to review the Un-audited Quarterly and Annual Audited Financial Statements of the Accounts for its proper presentation to the Share Holders and the Regulatory Authorities.
- iv) Reviewed the various reports of the Internal Auditors and their recommendations to take appropriate actions to the management where needed.
- v) Reviewed the solicited and un-solicited proposal for the Statutory Auditors and recommending for the same to the Board Members.

Acknowledgement

The Audit Committee Members expressed their sincere gratitude to the members of the Board and the Management of the Company and also to the Auditors for their support to carry out its duties and responsibilities effectively



Mr. Md. Mahboob Ahmed
Chairman



Report of Nomination & Remuneration Committee

The nomination & remuneration committee of Kay & Que (Bangladesh) Limited was constituted with 03 members who are non-executive Directors. The members of the committee were appointed by the Board of Directors.

- | | | |
|--------------------------------|---|---------------------------------|
| 1. Mr. Mollah M. Amzad Hossain | - | Chairman (Independent Director) |
| 2. Mr. Tajwar M. Awal | - | Member |
| 3. Mr. M. Jalalul Azim | - | Member |

The committee operates according to the terms and conditions approved by the board and in compliance with the Corporate Governance Code dated June 03, 2018. The committee is accountable for all the Nomination & Remuneration activities especially for the top level executives and reports to the Board of Directors. The activities of the NRC during the year were as follows:

- i. Reviewed and Adopted the terms of reference of NRC, as approved by the Board
- ii. Reviewed the policy relating to the remuneration of the Directors, top level executives and all employees of the Company
- iii. Recommended the name of a distinguished Bureaucrat as Independent Director to be appointed in the board to ensure compliance with the corporate governance code-2018.
- iv. Formulated the criteria for determining qualifications, positive attributes and independence of the Director
- v. Reviewed and recommended new criteria for evaluation of performance of Independent Directors and the Board Members
- vi. Identified criteria for selection, transfer or replacement and promotion at different levels of the Company
- vii. Identified criteria for selection, transfer or replacement and promotion at different levels of the Company and diversity in the Board and other departments.
- viii. Recommended a succession plan as part of talent management policy of the company.

Mollah M Amzad Hossain
Chairman

Report of Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee (CSR) to the Board of Kay & Que (Bangladesh) Limited was constituted with 03 members headed Mr. Mahbub Anam as Chairman. The objective of the committee is ensuring the implementation the social initiatives of the management.

- | | | |
|----------------------|---|----------|
| 1. Mr. Mahbub Anam | - | Chairman |
| 2. Mr. Tabith Awal | - | Member |
| 3. Mr. Tafsir M Awal | - | Member |

Performance of the CSR Committee during the period are following:

As a part of the social responsibility the company always tries to maintain a sincere concern for the society we operate in. A part of the policy and consideration of the company the social Responsibility committee has contributed in the following social concerns during the year:

The contribution breakdowns of the CSR Committee are as follows:

- I. Formulated and inaugurated a social campaign of blood donation program with a head start along with employees of the company.
- II. Donated winter cloths to the factory workers and distressed people of the worker part of the country.
- III. Donated health emergency product, medicine and medical support all the employee of the company.



Mr. Mahbub Anam
Chairman



Kay and Que (Bangladesh) Limited Declaration by CEO and CFO

October 25, 2023

The Board of Directors

Kay and Que (Bangladesh) Limited
Anchor Tower
108, Bir Uttam C. R. Dutta Road
Dhaka-1205

Subject: Declaration on Financial Statements for the year ended on June 30, 2023.

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006 -158/207/Admin/80 Dated: 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Kay & Que Bangladesh Limited for the year ended on June 30, 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 a 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 material 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 June 30, 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,

Tabith Awal
Managing Director

Kazi Ekramul Hoque
Chief Financial Officer



Masud Muhammad & Co.
Chartered Accountants

Annexure-B

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

Report to the Shareholders of Kay & Que (Bangladesh) Limited on

Compliance on the Corporate Governance Code

[As required under the Code of Corporate Governance of BSEC]

We have examined the compliance status to the Corporate Governance Code by **Kay & Que (Bangladesh) Limited** for the year ended on 30th June, 2023. This Code relates to the notification No. BSEC/CMRRCD/2006 -158/207/Admin/80 dated June 03, 2018 of the Bangladesh Securities and Exchange Commission.

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


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

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

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

Date: 22th October 2023
Place: Dhaka




ARM Masud, FCA
Enrolment: 0325
Masud Muhammad & Co.
Chartered Accountants

Office : Creation Panthadhara (5th Floor), 44/F/8 Panthapath, Dhaka – 1215
Cell Phone: +8801713378920, +88 02 41025389, E-mail: masudmuhammad31822@gmail.com



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

Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.00	Board of Directors			
1.1	Size of the Board of Directors: The total number of members of a company's Board of Directors(herein after referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty)		√	One ID is yet to be appointed.
1.2	Independent Director			
1.2(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors	√		
1.2(b)(i)	Do 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)	Do 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)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	√		
1.2(b)(v)	Independent directors are not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	√		
1.2(b)(vi)	Independent director 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)	Independent director 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 or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	√		
1.2(b)(viii)	They are not the Independent directors 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 or any advance 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 and approved by the shareholders in the Annual General Meeting (AGM)	√		
1.2(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days		√	NRC Committee is working on to be Compliant soon
1.2(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. A former independent director may be considered for re appointment for tenure after a time gap of one tenure. The independent director shall not be subject to retirement by rotation as the Companies Act, 1994.	√		
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 laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	√		
1.3(b)	Independent director shall have following qualifications:			
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association	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 Tk. 100.00 million or of a listed company	√		
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	√		
1.3(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law	N/A		
1.3(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification	√		
1.3(c)	The independent director have at least 10 (ten) years of experiences in any field mentioned in clause (b)	√		
1.3(d)	In special cases, above qualifications or experiences may be relaxed subject to prior approval of the Commission.	N/A		
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	√		
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	√		



1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	√		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	√		
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1.5	Directors report to shareholders			
1.5(i)	Industry outlook and possible future developments in the industry	√		
1.5(ii)	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)	Discussion on cost of goods sold, gross profit margin and net profit margin	√		
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss	√		
1.5(vi)	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)	Utilization of proceeds from public issues, right issues and/ or through any others instruments	-		Not applicable
1.5(viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc.	-		Not applicable
1.5(ix)	Explanation on significant variance occurs between Quarterly Financial performance and Annual Financial Statements	√		Explained
1.5(x)	Remuneration to directors including independent directors	√		
1.5(xi)	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)	Proper books of account of the issuer company have been maintained	√		
1.5(xiii)	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)	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)	The system of internal control is sound in design and has been effectively implemented and monitored	√		
1.5(xvi)	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)	There is no significant doubt upon the issuer company's ability to continue as a going concern, if he issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed			
1.5(xviii)	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)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	√		
1.5(xx)	If the issuer company has not declared dividend (cash or stock) for the year	-		Board of Directors recommended 3% cash Dividend
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	-		No Such Decisions were taken thereof
1.5(xxii)	The total number of Board meetings held during the year and attendance by each director	√		Annexure - II
1.5 (xxiii)	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)	-	-	No subsidiary company available
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	√		
1.5(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	√		No such holding available
1.5(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1.5(xxiv)(a)	A brief resume of the director	√		
1.5(xxiv)(b)	Nature of his or her expertise in specific functional areas	√		
1.5(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	√		
1.5(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on			
1.5(xxv)(a)	Accounting policies and estimation for preparation of financial statements	√		
1.5(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	√		
1.5(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	√		



1.5(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		
1.5(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1.5(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	√		
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 explain 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	√		
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			
1.6	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.	√		Recorded and kept in custody of the company secretary
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;	√		Code of Conducts for Chairman & MD specified in AOA of the Company is followed by.
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	√		
2.00	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	-		No subsidiary company available
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	-		
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	-		
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	-		
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-		

3.00	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance(HIAC) and Company Secretary (CS)			
3.1	Appointment			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	√		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	√		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	√		
3.2	Requirement to attend Board of Directors' Meetings			
3.2	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	√		
3.3	Duties of Managing Director (MD) or Chief Executive Officer(CEO) and Chief Financial Officer (CFO)			
3.3(a)	The MD or CEO and CFO shall certify to the board that they have reviewed financial statements for the year and that to the best of their knowledge and belief	√		
3.3(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		
3.3(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3.3(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	√		
3.3(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		Annexure included
4	Board of Directors' Committee: For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee	√		
4 (ii)	Nomination and Remuneration Committee.	√		
5	Audit Committee			
5.1	Responsibility to the Board of Directors			
5.1 (a)	The company shall have an Audit Committee as a subcommittee of the Board	√		



5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√		
5.1 (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing	√		
5.2	Constitution of the Audit Committee			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	√		
5.2 (b)	The Board shall appoint members of the Audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	√		No such situation was experienced
5.2 (e)	The company secretary shall act as the secretary of the Committee	√		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5.3	Chairperson of the Audit Committee			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4) (b). And the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
5.3 (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the 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			
5.5 (a)	Oversee the financial reporting process;	√		
5.5 (b)	Monitor choice of accounting policies and principles	√		
5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	√		
5.5 (d)	Oversee hiring and performance of external auditors;	√		
5.5 (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	√		
5.5 (f)	Review along with the management, the annual financial statements before submission to the Board for approval	√		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	√		
5.5 (h)	Review the adequacy of internal audit function	√		
5.5 (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	√		
5.5 (j)	Review statement of all related party transactions submitted by the management	√		
5.5 (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
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	√		
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	-		Not applicable
5.6	Reporting of the Audit Committee			
5.6(a)	Reporting of the Board of Directors			
5.6 (a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5.6 (a)(ii)(a)	The Audit Committee shall immediately report to the Board on the following findings report on conflicts of interests	√		No such things occurred
5.6 (a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	√		
5.6 (a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations	√		
5.6 (a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	√		



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	-		No such situations appeared before
5.7	Reporting to the shareholders and General Investors : Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company	√		
6	Nomination and Remuneration Committee (NRC)			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	√		
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No.6(5)(b).	√		
6.2	Constitution of the NRC			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	√		
6.2 (b)	All members of the Committee shall be non-executive directors;	√		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√		No such things required
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;	√		No such things required
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: in absence of chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholders queries and reason for absence of the chairperson of the NRC shall be recorded in the minutes of the AGM	√		
6.4	Meeting of the NRC			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;	√		
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		No emergency meeting was taken place
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.	√		
6.5	Role of the NRC			
6.5(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6.5 (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6.5(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6.5(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract retain and motivate suitable directors to run the company successfully	√		
6.5(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks	√		
6.5(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	√		
6.5(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	√		



6.5(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board	√		
6.5(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board	√		
6.5(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	√		
6.5(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	√		
6.5(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		
7.	External or Statutory Auditors			
7.1	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7.1 (i)	Appraisal or valuation services or fairness opinions;	√		
7.1 (ii)	Financial information systems design and implementation;	√		
7.1 (iii)	Book-keeping or other services related to the accounting records or financial statements;	√		
7.1 (iv)	Broker-dealer services;	√		
7.1 (v)	Actuarial services;	√		
7.1 (vi)	Internal audit services or special audit services;	√		
7.1 (vii)	Any service that the Audit Committee determines;	√		
7.1 (viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1)	√		
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:	√		To the best of our knowledge no such holdings are available
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	-		Not applicable due to technological issues
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.	√		Attached with the Annual Report
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	√		Appointed in 38 th AGM
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		Annexure attached



Annexure-I

The Pattern of Shareholding:

Names of the shareholders along with their position of shares are listed below:

Name of the Shareholder	Shares held at 30 th June 2023	% of holding
i) Parent / Subsidiary/ Associate Companies:	Nil	Nil
ii) Directors	1,635,434	31.77%
iii) Executive	Nil	Nil
iv) CEO, CS, CFO, Head of Internal Audit and their spouses & minor children	Nil	Nil
v) General Public	3,062,503	59.49%
vi) Shareholders holding ten percent (10%) or more voting Interest	Nil	Nil
vii) Others	449,719	8.74%
Total	51,47,656	100%

Annexure-II

Board and Committee Attendance 2022-2023

The Board sat for a total of 05 (Five) times during the year. The Board and Committee Meetings' attendance during the year are as follows:

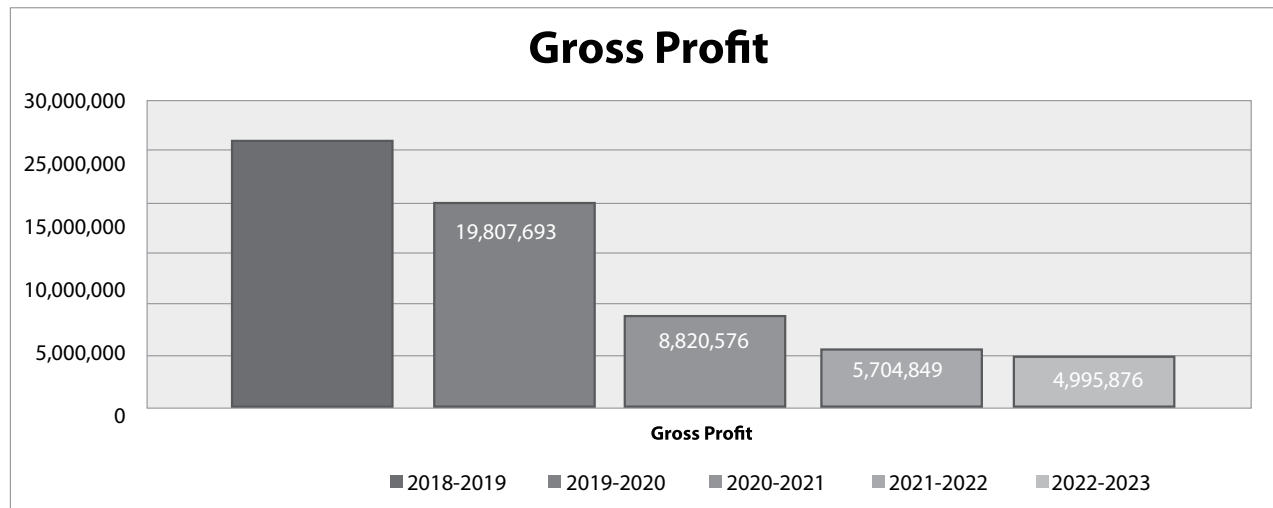
Meetings Attended				
Board and Committee Attendees	Board	Audit Committee	Nomination & Remuneration Committee	Corporate Social Responsibility Committee
Mr. Abdul Awal Mintoo	5	-	-	-
Mrs. Nasreen Fatema Awal	5	-	-	-
Mr. Tabith Awal	5	-	-	2
Mr. Tafsir M. Awal	5	-	-	2
Mr. Tajwar M. Awal	5	4	2	-
Mr. A. K. M. Rafiquil Islam FCA*	3	3	-	1
Mr. Mahbub Anam*	1	1		1
Mr. Abu Taher Md. Ahmedur Rahman	5	-	-	-
Mr. Rezaul Karim*	4			
Mr. M. Jalalul Azim*	4	-	2	-
Mr. Molla M. Amzad Hossain*	4	-	2	-
Mr. Md. Mahboob Ahmed	5	4	-	-
Mr. Sayed Ahmad attended all the meetings as Secretary to the Board and Member Secretary of the Committees to the Board as well.				

- * Mr. Mahbub Anam Appointed As a Nominee Director of Security Management Company Limited by replacing of Mr. A.K.M Rafiquil Islam F.C.A in the Board of the Company Approved by Board of Directors 177th Board of Directors Meeting Dated 19th January 2023.
- * The leave of absence was granted to Mr. Rezaul Karim - Nominated Director of Pragati Insurance Limited for absence in one meetings of the Board of Directors.
- * The leave of absence was granted to Mr. M. Jalalul Azim - Nominated Director of Pragati Life Insurance Limited for absence in one meetings of the Board of Directors.
- * The leave of absence was granted to Mr. Molla M. Amzad Hossain - Independent Director of Kay & Que (BD) Limited for absence in One meetings of the Board of Directors.

KAY & QUE (BANGLADESH) LIMITED
5 Years at a Glance

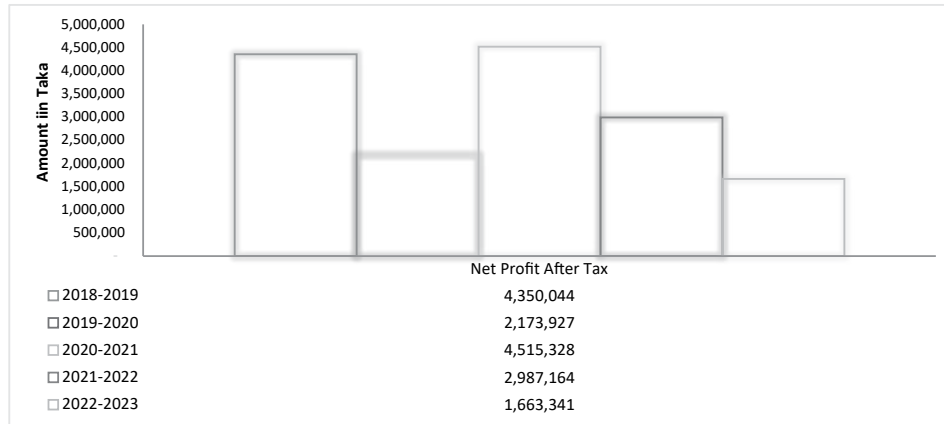
Sl No.	Particulars	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
1	Financial Performance					
	Net Sales	137,013,248	110,138,557	112,479,810	96,929,304	179,105,571
	Gross Profit	26,066,700	19,807,693	8,820,576	5,704,849	4,995,876
	Net Profit Before Tax	5,800,058	2,916,512	5,826,230	3,733,955	2,752,858
	Net Profit After Tax	4,350,044	2,173,927	4,515,328	2,987,164	1,663,341
2	Share Capital and Reserve					
	Paid up Capital	49,025,300	49,025,300	49,025,300	51,476,560	51,476,560
	Reserve and Surplus	328,376,381	327,437,403	327,215,956	328,600,961	341,963,984
3	Assets					
	Fixed Assets	495,408,553	493,276,469	491,172,597	489,488,535	487,966,982
	Other Assets	106,466,855	104,318,256	131,828,307	152,462,045	205,203,724
4	Others					
	Book Value Per Share	10.00	10.00	10.00	10.00	10.00
	Dividend	7.5% Cash	4% Cash	5% stock	5% Interim Cash	3% Cash
	Earning Per Share	0.89	0.44	0.92	0.59	0.32

SL NO	Particulars	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
1	Gross Profit	26,066,700	19,807,693	8,820,576	5,704,849	4,995,876

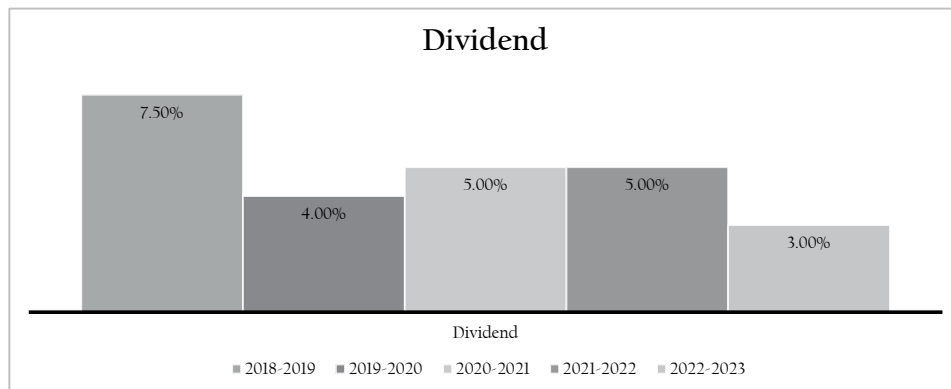




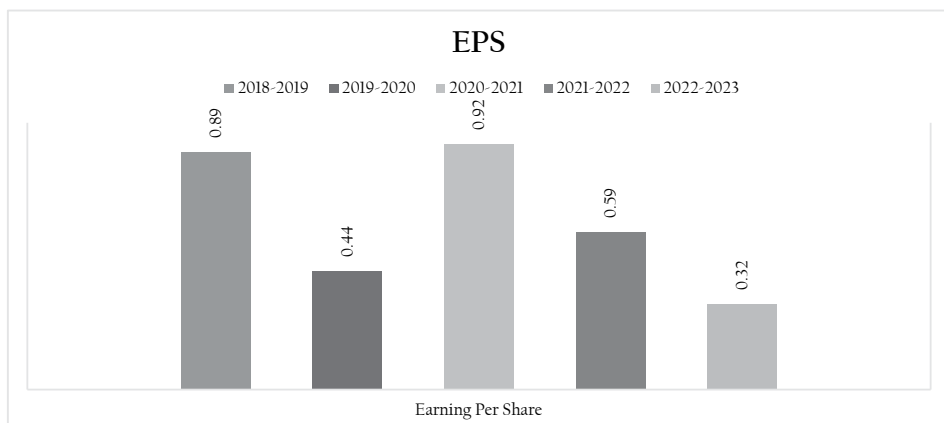
SL. No	Particulars	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
1	Net Profit After Tax	4,350,044	2,173,927	4,515,328	2,987,164	1,663,341



SL NO	Particulars	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
1	Dividend	7.50%	4.00%	5.00%	5.00%	3.00%



SL No	Particulars	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
1	Earning Per Share	0.89	0.44	0.92	0.59	0.32





**Independent Auditor's Report
To the Shareholders of Kay & Que (Bangladesh) Limited**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying Financial Statements of Kay & Que (Bangladesh) Limited which comprise the Statement of Financial Position as at June 30, 2023 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Shareholder's Equity, Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2023 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations.

Basis for Qualified Opinion

1. We refer to the Schedule A, where the company has reported Tk. 487,966,982 as Property, Plant and Equipment. We were unable to verify the figure due to absence of appropriate Fixed Asset management system, which is non-compliance of IAS 16: Property, Plant and Equipment.
2. As disclosed in note 3.01, the company has shown an amount of Tk. 22,356,063 as investment in 571,182 Ordinary shares of CDBL valued at Tk. 39.14 per share. As per previous audited Financial Statement the value of the shares were Tk. 10,656,381. As at June 30, 2023 investment in CDBL Shares were increased by Tk. 11,699,682 which is shown as Fair Value Reserve. CDBL shares are non-tradable. We were unable to verify the figure because valuation performance was not performed except Net Asset Value (NAV) per share of CDBL in its statement of Financial Position as at June 30, 2022.
3. (a) As disclosed in note 15, the company has shown an amount of Tk. 3,614,688 as liabilities for WPWF which includes prior year amount of Tk. 3,477,045 that has not been paid by the company to the fund.
(b) The company has shown an amount of Tk. 186,698 as payments during the year. Which was provided for the year June 30, 2023. But details of payment to workers shows Tk. 168,028 which is 90% of the total payment and payment was made according to their salary. As per Labor Act, 2006 section 242 (1) the total amount shall be distributed in equal proportion to all workers.
4. The Board of Directors of the company in its meeting held on 30 October 2023 has approved the Financial Statements of the company and issued price sensitive information vide its letter K&Q/CS/BSEC/2023-96 dated October 30, 2023. The company has shown Net Asset Value (NAV) Tk. 391,896,248 and Net Asset Value Per Share (NAVPS) Tk. 76.13. But as per Audited Financial Statement, Net Asset Value (NAV) is Tk. 393,440,544 and Net Asset Value Per Share (NAVPS) is Tk. 76.43.

Emphasis of Matter

In forming our opinion on the Financial Statements, we considered the following matters and the facts that:

1. As disclosed in note # 9.00, to the Financial Statements, the company has shown an amount of Tk 636,223 as Cash & Cash Equivalent in the head of IOU. No details or Supporting were made available to us for our verification.
2. a) As disclosed in note # 14.00, the company has shown an amount of Tk. 3,302,513 as Unclaimed Dividend. The designated bank account for dividend has shown a balance of Tk. 65,425 as at 30.06.2023. Hence, there is a shortfall of Tk. 3,237,088 in the dividend bank account. This is a non-compliance of the section 28 (1) of Dhaka Stock Exchange (Listing) Regulations, 2015.



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www.awahabco.com

Chattogram Office : World Trade Center (3rd Floor), 102-103 Agrabad C/A, Chattogram.





A. WAHAB & CO.
Chartered Accountants

3. b) As per directive no BSEC/CMRRCD/2021-386/03 dated 14 January 2021 of any dividend remain unpaid or unclaimed or unsettled including accrued interest (after adjustment of bank charge, if any) thereon for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred to Capital Market Stabilization Fund (CMSF). But the company has not transferred unclaimed dividend of Tk 1,247,160 which is unpaid for more than 3 years.

Our opinion is not modified in respect to these matter.

We conduct our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) By Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRSs, 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.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Company's Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



A. WAHAB & CO.
Chartered Accountants

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 also provide 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.

From the matters communicated with those charged with governance, we determine those matters 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements:

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

- 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;
- In our opinion, proper books of accounts as required by law have been kept by the Kay and Que (Bangladesh) Limited so far as it appeared from our examination of those books;
- The Statements of Financial Position as at June 30, 2023 and Statements of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of accounts and returns; and
- The expenditure incurred was for the purposes of the Company's business.

For, A. Wahab & Co.
Chartered Accountants



Md. Showkat Hossain, FCA
Partner
Enrolment No.-196

Dated, Dhaka, November 13, 2023

DVC: 2311190196AS689930





KAY & QUE (BANGLADESH) LIMITED
Statement of Financial Position
As at June 30, 2023

Particulars	Notes	30-06-2023	30-06-2022
ASSETS			
Non-Current Assets		510,516,081	501,608,662
Property, Plant & Equipment	Schedule-A	487,966,982	489,488,535
Investment	3.00	22,549,099	12,120,127
Current Assets		182,654,625	144,987,101
Inventories	4.00	4,097,254	2,789,990
Accounts and Others Receivable	5.00	60,620,807	58,750,771
Advances, Deposits & Prepayments	6.00	94,812,842	56,222,545
Advance Income Tax (AIT)	7.00	22,123,602	21,786,895
LC in Transit	8.00	-	1,955,125
Cash & Cash Equivalents	9.00	1,000,119	3,481,775
TOTAL ASSETS		693,170,706	646,595,762
EQUITY AND LIABILITIES			
Shareholders Equity		393,440,544	380,077,521
Share Capital	10.00	51,476,560	51,476,560
Revaluation Reserve		441,279,541	441,279,541
Fair Value Reserve		16,461,517	4,761,835
Retained Earnings		(115,777,074)	(117,440,415)
Current Liabilities		299,730,161	266,518,241
Creditor for Goods	11.00	7,956,137	8,821,394
Short Term Bank Loan	12.00	75,386,105	36,860,706
Creditor for Expenses	13.00	8,293,176	8,752,227
Unclaimed Dividend	14.00	3,302,513	5,108,002
Workers Participation and Welfare Fund	15.00	3,614,688	3,663,743
Associates/Others Loan	16.00	182,341,851	183,171,718
Provision for Income Tax	17.00	18,835,690	20,140,450
TOTAL EQUITY AND LIABILITIES		693,170,706	646,595,762
Net Assets Value Per Share	27.00	76.43	75.64

The annexed notes 1 to 32 form an integral part of the financial statements.


Tabith Awal
Managing Director


Tajwar Awal
Director


Kazi Ekramul Hoque
Chief Financial Officer


Sayed Ahmed
Company Secretary

Subject to our separate report of even date



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrolment No.-196

DVC: 2311190196AS689930



KAY & QUE (BANGLADESH) LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2023

Particulars	Notes	30-06-2023	30-06-2022
Sales Revenue	18.00	179,105,571	96,929,304
Less: Cost of Sales	19.00	174,109,695	91,224,454
Gross Profit/ (Loss)		4,995,876	5,704,849
General & Administrative Expenses	20.00	9,464,549	9,286,549
Selling & Marketing Expenses	21.00	227,811	238,971
Financial Expenses	22.00	4,327,208	3,383,321
Total Operating Expense		14,019,568	12,908,841
Operating Profit / (Loss)		(9,023,692)	(7,203,992)
Non Operating Income/ (Expense):			
Dividend Income	23.00	1,435,152	1,475,464
Rental Income	24.00	9,433,536	9,641,399
Others Income	25.00	1,045,506	7,782
Total Non- Operating Income:		11,914,194	11,124,645
Profit / (Loss) before WPWF		2,890,501	3,920,653
Less: Workers Participation and Welfare Fund		137,643	186,698
Profit / (Loss) after WPWF		2,752,858	3,733,955
Less: Income Tax Provision	17.01	1,089,517	746,791
Net Profit / (Loss) after Tax		1,663,341	2,987,164
Gain/(Loss) on Marketable Securities (Unrealized)		11,699,682	(619,299)
		13,363,023	2,367,865
Earning Per Share	28.00	0.32	0.59

The annexed notes 1 to 32 form an integral part of the financial statements.


Tabith Awal
Managing Director


Tajwar Awal
Director


Kazi Ekramul Hoque
Chief Financial Officer


Sayed Ahmed
Company Secretary

Subject to our separate report of even date



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrolment No.-196

DVC: 2311190196AS689930



Dated: Dhaka, November 13, 2023



KAY & QUE (BANGLADESH) LIMITED
Statement of Changes in Equity
For the year ended June 30, 2023

Particulars	Share Capital	Revaluation Reserve	Fair value Reserve	Retained Earnings	Total
Balance as on 1 July, 2022	51,476,560	441,279,541	4,761,835	(117,440,415)	380,077,521
Net Profit during the year	-	-	-	1,663,341	1,663,341
Gain/(Loss) on Securities (Unrealized)	-	-	11,699,682	-	11,699,682
Balance as on 30 June, 2023	51,476,560	441,279,541	16,461,517	(115,777,074)	393,440,544

For the year ended June 30, 2022

Particulars	Share Capital	Revaluation Reserve	Fair value Reserve	Retained Earnings	Total
Balance as on 1 July, 2021	49,025,300	441,279,541	5,381,609	(119,445,194)	376,241,256
Net Profit during the year	-	-	-	2,987,164	2,987,164
Dividend Adjustment for F/Y 2020-21	2,451,260	-	-	-	2,451,260
Less: Provision for dividend 2021-22	-	-	-	(1,412,825)	(1,412,825)
Gain/(Loss) on Marketable Securities (Unrealized)	-	-	(619,774)	-	(619,774)
Prior year adjustment	-	-	-	430,440	430,440
Balance as on 30 June, 2022	51,476,560	441,279,541	4,761,835	(117,440,415)	380,077,521

The annexed notes 1 to 32 form an integral part of the financial statements.


Tabith Awal
Managing Director


Tajwar Awal
Director


Kazi Ekramul Hoque
Chief Financial Officer


Sayed Ahmed
Company Secretary

Subject to our separate report of even date



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrolment No.-196

Dated: Dhaka, November 13, 2023

DVC: 2311190196AS689930



KAY & QUE (BANGLADESH) LIMITED
Statement of Cash Flows
For the year ended June 30, 2023

Particulars	Notes	30-06-2023	30-06-2022
A) Cash Flows from Operating Activities			
Collection from Turnover & Others		187,714,577	86,532,743
Payment & Expenses		(185,537,925)	(101,942,832)
Net Cash Flow from Operating Activities (A)		2,176,651	(15,410,089)
B) Cash Flow From Investing Activities:			
Dividend Receipt	23.00	1,435,152	1,475,464
Investment in Share		(10,428,973)	58,486
Proceed from Advance for Work & Others		(38,927,004)	50,038
Proceed from Inter Company/unit Loans Received		(829,867)	18,181,737
Gain/(Loss) on Securities (Unrealized)		11,699,682	(619,774)
Net Cash Flow from Investing Activities (B)		(37,051,010)	19,145,951
C) Cash Flow from Financing Activities:			
Dividend Paid		(1,805,489)	(5,506,358)
Proceed from Paid up Capital		-	2,451,260
To Be Distributed as Dividend		-	(3,612,263)
Financial Expense		(4,327,208)	(3,383,321)
Proceed from Bank Loan	22.00	38,525,399	5,798,778
Net Cash Flow from Financing Activities (C)		32,392,702	(4,251,904)
Net Cash in Flow/(Outflow) for the year (A+B+C)		(2,481,657)	(516,043)
Cash and Bank Balance at Opening		3,481,775	3,997,817
Cash and Bank Balances at Closing	9.00	1,000,119	3,481,775
Net Operating Cash Flow per Share	29.00	0.42	(3.07)


Tabith Awal
 Managing Director


Tajwar Awal
 Director


Kazi Ekramul Hoque
 Chief Financial Officer


Sayed Ahmed
 Company Secretary

Subject to our separate report of even date



(A. WAHAB & CO.)
 CHARTERED ACCOUNTANTS
 Signed By: Md. Showkat Hossain, FCA
 Enrolment No.-196

DVC: 2311190196AS689930



Dated: Dhaka, November 13, 2023



KAY & QUE (BANGLADESH) LIMITED
Schedule of Property, Plant & Equipment
As at June 30, 2023

Schedule-A

PARTICULARS	COST		DEPRECIATION					Written down value as on 30-06-2023	
	Balance as on 30-06-2022	Addition during the year	Balance as on 30-06-2023	Rate	Balance as on 01-07-2022	Adjustment during the year	Charge during the year		Balance as on 30-06-2023
Land & Land Development									
i) Land	461,400,000		461,400,000		-	-	-	-	461,400,000
ii) Flood Embankment & Road	962,271	-	962,271		-	-	-	-	962,271
Sub-Total	462,362,271	-	462,362,271		-	-	-	-	462,362,271
Building & Other Construction									
Office Building	3,084,195	-	3,084,195		2,026,904	-	-	2,026,904	1,057,291
Factory Building	1,883,374	-	1,883,374		1,883,374	-	-	1,883,374	-
Pesticide Building	-	-	-	-	-	-	-	-	-
Substation & Generator	1,156,428	-	1,156,428		940,884	-	-	940,884	215,544
Boundary, Main Gate & Godown	1,199,229	-	1,199,229		948,860	-	-	948,860	250,369
Sub-Total	7,323,226	-	7,323,226		5,800,022	-	-	5,800,022	1,523,204
Plant & Machinery									
Electric Equipment	1,673,524	-	1,673,524		1,223,569	-	-	1,223,569	449,955
Local Machinery	4,104,881	-	4,104,881		3,544,027	-	-	3,544,027	560,854
Sub-Total	5,778,405	-	5,778,405		4,767,596	-	-	4,767,596	1,010,809
Total	475,463,902	-	475,463,902		10,567,618	-	-	10,567,618	464,896,284

5.1) As per directive of the Securities Exchange Commission (SEC) the management has adopted the basis of depreciating the Padma Techno Consult & Survey Ltd. the expected useful life has been estimated to be 30 years and 16 years for office building, Factory Building and machinery respectively. The management, however decided to write off the said book values over 20 years for both Office building & Factory building and over 10 years for machinery.



KAY & QUE (BANGLADESH) LIMITED
Schedule of Property, Plant & Equipment
As at June 30, 2023

Schedule-A

PARTICULARS	COST		DEPRECIATION				Written down value as on 30-06-2023	Written down value as on 30-06-2022
	Balance as on 01-07-2022	Addition during the year	Balance as on 30-06-2023	Rate	Balance as on 30-06-2022	Adjustment during the year	Charge during the year	Balance as on 30-06-2023
i) Land	-	-	-		-	-	-	-
ii) Land dev. & Approach Road	8,256,176	-	8,256,176		-	-	-	8,256,176
Sub-Total	8,256,176	-	8,256,176		-	-	-	8,256,176
Building & Other Construction								
Building	3,904,549	-	3,904,549	5%	1,898,861	-	100,284	1,999,145
Other Construction	458,275	-	458,275	5%	222,869	-	11,770	234,639
Sub-Total	4,362,824	-	4,362,824		2,121,730	-	112,055	2,233,785
Plant & Machinery:								
Imported machinery	52,113,569	-	52,113,569	10%	39,719,692	-	1,239,388	40,959,080
Local Equipment	3,037,371	-	3,037,371	10%	1,729,162	-	130,821	1,859,983
Electric Installation	438,381	-	438,381	10%	342,355	-	9,603	351,957
Gas Line Installation	803,706	-	803,706	10%	627,657	-	17,605	645,262
Sub-Total	56,393,027	-	56,393,027		42,418,865	-	1,397,416	43,816,282
Sundry Assets	333,294	-	333,294	10%	212,475	-	12,082	224,557
Sub-Total	333,294	-	333,294		212,475	-	12,082	224,557
Total	69,345,321	-	69,345,321		44,753,070	-	1,521,553	23,070,698
Grand Total	544,809,223	-	544,809,223		55,320,688		1,521,553	487,966,982
								24,592,251
								489,488,535





KAY & QUE (BANGLADESH) LIMITED
Notes on Statement of Financial Statement
For the year ended June 30, 2023

1.00 General:

1.01 Legal Form of the Company:

- a) Kay & Que (Bangladesh) Limited was Incorporated in Bangladesh on January 19, 1984 as a Public Limited Company under Companies Act, 1913. The Company started its commercial production in November 1989. Its Shares are listed with both the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. since 1996.
- b) The registered office of the company is situated at Anchor Tower, 1/1(B), Sonargaon Road, Dhaka, Bangladesh and the Factory is situated at Dhamrai, Manikgonj on Dhaka Aricha Highway.

1.02 Nature of Business:

The Kay & Que (BANGLADESH) Limited is now operating one CNG Unit. The company has stated stone business from July 2018. Besides that the Company has entered into Land Lease & Rental agreement with CG Foods (BANGLADESH) Limited. for his vacant land and office.

2.00 Significant Accounting Policies & Other Material Information:

2.01 Accounting Convention and Basis of presentation:

The Financial Statements have been prepared under the historical cost convention following the International Accounting Standards (IAS's) as adopted in Bangladesh and where relevant in accordance with presentation requirements of the Companies Act, 1994.

2.02 Use of Estimation:

Preparation of Financial Statements in conformity with International Accounting Standards requires management to make estimates and assumption that affect the reported amounts of Assets and Liabilities and Disclosure of contingent assets & liabilities, if any, at the date of the financial statements & revenues and expenses during the year reported. Actual result may differ from those estimates. Estimates are used in accounting for certain items such as depreciation, outstanding claims, taxes, reserves etc.

2.03 Components of Financial Statements:

The Financial Statements comprises of;

- i) Statement of Financial Position as at June 30, 2023
- ii) Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2023
- iii) Statement of Changes in Equity for the year ended June 30, 2023
- iv) Statement of Cash Flows for the year ended June 30, 2023; and
- v) Notes, Comprising Significant Accounting Policies and other Explanatory information to the Accounts.

2.04 Reporting Period:

Financial statements cover one year from 1st July 2022 to 30 June, 2023.

2.05 Statement on Compliance with IAS, Statutes & Rules:

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole Authority for adoption of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

The Company has applied the applicable IASs and IFRSs adopted by ICAB while preparing the Financial Statements. Details are given below.

IAS No.	Name of the International Accounting Standards (IASs)	Status
1	Presentation of Financial Statements	Applied
2	Inventories	Applied
7	Statement of Cash Flows	Applied
8	Accounting Policies Changes in Accounting Estimates & Errors	Applied
10	Events after the Reporting period	Applied
12	Income Taxes	Applied
14	Segment Reporting	Applied
16	Property, Plant & Equipment	Applied
19	Employee Benefits	Applied
21	The Effects of Changes in Foreign Exchange Rates	Applied
24	Related Party Disclosures	Applied
25	Accounting for Investments	Applied
32	Financial Instruments: Presentation	Applied
33	Earnings Per Share	Applied
37	Provisions Contingent Liabilities and Contingent Assets	Applied
38	Intangible Assets	Applied
39	Financial Instruments: Recognition and Measurement	Applied



IFRS No.	International Financial Reporting Standards (IFRSs)	Status
8	Operating Segments	Applied
15	Revenue from Contracts with Customers	Applied

2.06 Related Party Transaction:

The company entered into transactions with the related parties in normal course of business that fall within the definition of related party as per International Accounting Standards (IAS 24). The details of related party transactions are shown in Note: 26.00

2.07 Property, Plant & Equipment:

Property, Plant & Equipment are valued at historical cost less accumulated depreciation. No depreciation is charged on freehold land and flood embankment, which are stated at cost. Depreciation of Property Plant & Equipment is computed using Reducing Balance Method. The Unit-I was revalued in 10.06.2018 and is was fully depreciated, revalued amount is carried forward. Property, Plant & Equipment of CNG Project is depreciated following reducing balance method.

a) Depreciation:

Rate of charging depreciation is as follows.

Type of Assets	2023	2022
Building and other construction	5%	5%
Plant and Machinery	10%	10%
Sundry Assets	10%	10%

2.08 Inventories :

Stock of Stores and Spares have been valued at average cost method. Stock of finished goods have been valued at cost which is lower than selling price.

2.09 Sundry Debtors :

Sundry debtors have been recorded at original invoice amount, which represents net realizable value only. The entire amount of Sundry Debtors is considered good and collectable and therefore, no amount was written off or no provision has been made for doubtful accounts.

2.10 Advance, Deposits & Prepayments:

Advances, Deposits and Prepayments are realizable in the ordinary course of company's business at a value at least equal to its value stated in the Statement of Financial Position.

2.11 Cash and Bank Balances:

The Cash in hand and Cash at Bank held at the year end is available for use without any restriction.

2.12 Income Taxes :

Provision for Income Tax has been made at applicable rates as per Income Tax Act , 2023.

2.13 Employees Benefit Plans:

The company operates for its permanent employees a contributory provident fund. The provident fund is administered by a Board of Trustees and is funded by equal contribution from the employees and company at predetermined rates. The contribution is invested separately outside the company assets. The company also operates a profit participation fund for the Workers. Accounting of employees benefit plans conform IAS-19.

2.14 Earning per Share (EPS) :

a) Basic Earning Per Share:

This has been calculated by dividing the basic earning by the weighted average number of ordinary share outstanding during the year. The details are shown in Note-28.00

b) Diluted Earning Per Share:

No diluted EPS is required to be calculated for the year, as there was no scope for dilution during the year.

2.15 Cash Flow Statement :

The Statement of Cash Flows Has been Prepared according to International Accounting Standard (IAS-7) and has been Computed Under the direct method.



**3.00 Investment:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Investment in CDBL Share	3.01	22,356,063	10,656,381
Investment in Marketable Securities	3.02.01	193,036	1,463,746
Total		22,549,099	12,120,127

3.01 Investment in CDBL Share:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	10,656,381	10,656,381
Revaluation during the year	11,699,682	-
Closing Balance	22,356,063	10,656,381

Total number of CDBL ordinary share 571,182 @ Tk. 39.14 per share as per last audited financial position of CDBL year ended 30th June 2022. Note that, CDBL share is non-tradable share, that's why, we revalue the shares based on last NAV of CDBL.

3.02.01 Investment in Marketable Securities:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Market Value of Investment	1,463,764	1,522,232
Add: Buy of Investment	-	2,251,828
Add: Gain on Marketable Securities	979,197	-
	2,442,961	3,774,060
Less: Sale of Investment	2,102,029	1,677,015
Less: Market Value Adjustment	147,896	633,299
Closing Balance	193,036	1,463,746

3.02.01 Details of Marktable Securities:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Pragati Insurance Ltd.	-	618,113
Southeast Bank Ltd.	193,036	199,571
Pragati Life Insurance Ltd.	-	646,062
Total:	193,036	1,463,746

4.00 Inventories:

The details break-up is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Stores & Spares	4.01	3,390,190	2,789,990
Stock of Fuel	4.02	707,064	-
Stock of sand/stone	4.03	-	-
Total:		4,097,254	2,789,990

4.01 Stores & Spares:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	2,789,990	2,789,990
Add: Purchase during the year	1,931,935	-
	4,721,925	2,789,990
Less: Consumption during the year	1,331,735	-
Closing Balance	3,390,190	2,789,990



4.02 Stock of Fuel:

The details break-up is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Stock of Diesel	4.02.1	190,512	-
Stock of Octane	4.02.2	62,170	-
Stock of Petrol	4.02.3	454,382	-
Total:		707,064	-

4.02.1 Stock of Diesel:

The details break-up is made up as follows:

Particulars	Unit	Qty	Rate	30-06-2023	30-06-2022
Opening Balance				-	-
Add: Purchase during the period	Ltr	45,000	105.43	4,744,350	-
				4,744,350	-
Less: Sale during the period	Ltr	43,193	105.43	4,553,838	-
Closing Balance				190,512	-

4.02.2 Stock of Octane:

The details break-up is made up as follows:

Particulars	Unit	Qty	Rate	30-06-2023	30-06-2022
Opening Balance				-	-
Add: Purchase during the year	Ltr	4,500	124.34	559,530	-
				559,530	-
Less: Sale during the year	Ltr	4,000	124.34	497,360	-
Closing Balance				62,170	-

4.02.3 Stock of Petrol:

The details break-up is made up as follows:

Particulars	Unit	Qty	Rate	30-06-2023	30-06-2022
Opening Balance				-	-
Add: Purchase during the period	Ltr	4,500	119.48	537,660	-
				537,660	-
Less: Sale during the period	Ltr	697	119.48	83,278	-
Closing Balance				454,382	-

4.03 Stock of Stone & Sand:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	-	412,987
Add: Purchase during the year	78,801,048	26,213,354
	78,801,048	26,626,341
Less: Sales during the year	78,801,048	26,626,341
Closing Balance	-	-



**5.00 Accounts and Others Receivable:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Receivable against stone sales	5.01	1,852,895	9,648,987
Receivables against CNG Sales	5.02	814,715	582,123
CG Foods (Bd) Ltd. Against Rent	5.03	57,953,197	48,519,661
Total:		60,620,807	58,750,771

5.01 Receivable Against Stone/Sand Sales:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	9,648,987	1,343,034
Add: Sales during the year	84,632,446	30,657,564
	94,281,433	32,000,598
Less: Collection during the year	92,428,538	22,351,611
Closing Balance	1,852,895	9,648,987

5.02 Receivable Against CNG Sales:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	582,123	533,713
Add: Sales during the year	89,157,963	66,271,740
	89,740,086	66,805,453
Less: Collection during the year	88,925,371	66,223,330
Closing Balance	814,715	582,123

5.03 Rent Receivable to CG Food (BD) Ltd:

The details break-up is made up as follows:

Particulars	Note	30-06-2023	30-06-2022
Opening Balance		48,519,661	36,828,282
Add: Rent during the year	24.00	9,433,536	12,660,672
		57,953,197	49,488,954
Less: Adjustment (Waive Rent)		-	969,293
Closing Balance		57,953,197	48,519,661

6.00 Advances, Deposits & Prepayments:

The details break-up is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Advance	6.01	63,911,307	26,139,399
Advance Against Land	6.02	21,853,883	21,103,883
Deposits	6.03	8,352,819	8,052,819
Prepayments	6.04	694,833	926,444
Total:		94,812,842	56,222,545



6.01 Advance:

The details break-up is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Associates/Others Advance	6.01.1	13,316,556	4,645,183
Moshiur Rahman Shahin	6.01.2	4,238,380	7,846,261
Advance Against Equity to CG Food (BD) Ltd.	6.01.3	23,400,000	7,200,000
Advance against Fuel Station	6.01.4	12,763,416	610,000
Advance against LPG Project	6.01.5	4,750,000	400,000
Advance against Legal fee		150,000	150,000
Advance against Project Development Expense		3,955,955	3,955,955
Advance against salary		85,000	80,000
Advance Against Gas Loading Enhancement		1,252,000	1,252,000
Sub Total:		63,911,307	26,139,399

6.01.1 Associates/Others Advance:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Multimode Ltd.	4,258,433	4,258,433
Aryans Fashion	386,750	386,750
Chens Crop Science (BD) Ltd.	2,000,000	-
Multimode Textile Mills Limits	851,373	-
Bangladesh Petro Chemical Ltd.	5,300,000	-
Multimode Green Solutions Ltd.	520,000	-
Total:	13,316,556	4,645,183

6.01.2 Moshiur Rahman Shahin:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	7,846,261	11,474,629
Add: Addition during the year	52,448,618	-
	60,294,879	11,474,629
Less: Adjustment during the year	56,056,499	3,628,368
Closing Balance	4,238,380	7,846,261

6.01.3 Advance Against Equity to CG Food (BD) Ltd.:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	7,200,000	6,700,000
Add: Addition during the year	16,200,000	500,000
	23,400,000	7,200,000
Less: Adjustment during the year	-	-
Closing Balance	23,400,000	7,200,000



**6.01.4 Advance Against Fuel Station:**

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	610,000	-
Add: Addition during the year	12,153,416	610,000
	12,763,416	610,000
Less: Adjustment during the year	-	-
Closing Balance	12,763,416	610,000

6.01.5 Advance Against LPG Project:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	400,000	-
Add: Addition during the year	4,350,000	400,000
	4,750,000	400,000
Less: Adjustment during the year	-	-
Closing Balance	4,750,000	400,000

6.02 Advance Against Land:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Advance agt. Land (Habibur Rahman)	10,310,000	10,310,000
Advance against Boundary wall	8,440,000	8,440,000
Advance against Land & Others Development	2,353,883	2,353,883
Advance against Land	750,000	-
Total: Sub Total (B)	21,853,883	21,103,883

6.03 Deposits:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Deposit against VAT	4,667,559	4,667,559
Security deposit	3,685,260	3,385,260
Total: Sub Total (C)	8,352,819	8,052,819

6.04 Prepayments:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Prepayment agaisnt BG Commission	694,833	926,444
Total:	694,833	926,444

7.00 Advance Income Tax (AIT):

The details break-up is made up as follows:

Particulars	Note	30-06-2023	30-06-2022
Opening Balance		21,786,895	22,477,373
Add: Addition during the year		336,707	-
		22,123,602	22,477,373
Less: Adjustment during the year		-	690,478
Closing Balance	7.01	22,123,602	21,786,895



7.01 Year wise break up as follows:

Assesment Year	30-06-2023	30-06-2022
2008-09	160,000	160,000
2011- 12	3,443,438	3,443,438
2012-13	2,411,823	2,411,823
2013-14	426,280	426,280
2014-15	770,247	770,247
2015-16	1,398,743	1,398,743
2016.17 (1st part)	828,251	828,251
2016.17 (2nd part)	259,757	259,757
2017-18	1,102,834	1,102,834
2018-19	167,086	167,086
Tax Deduction at Source	11,155,143	10,818,436
Total:	Total 22,123,602	21,786,895

8.00 LC in Transit:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
LC # 1218210100134	-	1,955,125
Total:	-	1,955,125

9.00 Cash & Cash Equivalents:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Cash in Hand:		
Head Office	63,224	80,547
Factory	92,923	2,823,457
Sub Total:	156,147	2,904,004
Cash at Bank:		
SIBL (Panthapath)-16810	64,218	6,765
SIBL (Dhamrai)-0036	6,830	87,531
SIBL (Panthapath)- 223 (Dividend Account)	65,425	1,462
NBL - STD A/C 322	1,720	3,672
Bank Asia Ltd.-817	47,199	48,578
MGBL- Anchor Tower Br.- 415	2,855	5,500
Sub Total:	188,246	153,508
Balance at BO Account- 00023592	19,503	424,263
IOU	636,223	-
Total:	1,000,119	3,481,775

9.01 Cash in hand has been certified by the management.

9.02 Cash at Bank balances are in agreement with the respective bank statements.



**10.00 Share Capital:**

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Authorized Share Capital:		
100,000,000 Ordinary Shares of Tk. 10 each	1,000,000,000	1,000,000,000
Issued Subscribed & Paid-up Capital:		
5,147,656 Ordinary Shares of Tk. 10 each fully paid	51,476,560	51,476,560

As on Jun 30, 2023 shareholding position of the Company was as follows:-

Name of Shareholders	Number of Shares	Face Value	% of Total Holding
Sponsors/promoters & Directors	1,641,073	16,410,727	31.88%
General public & Institutions	3,506,583	35,065,833	68.12%
	5,147,656	51,476,560	100.00%

Classification of Shareholders by Holding:

Range of Share Holdings	No. of Holding	No. of Shares	% of Total Holding
From 1 to 500	1,818	251,453	4.88%
From 501 to 5000	658	1,063,156	20.65%
From 5001 to 10000	69	488,861	9.50%
From 10001 to 20000	36	483,184	9.39%
From 20001 to 30000	9	213,269	4.14%
From 30001 to 40000	5	170,944	3.32%
From 40001 to 50000	2	99,400	1.93%
From 50001 to 100000	7	449,719	8.74%
From 100001 to 1000000	13	1,927,670	37.45%
Above 1000000	-	-	-
Total:	2,617	5,147,656	100%

11.00 Creditor for Goods:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Titas Gas Transmission Co. Ltd.	7,956,137	8,821,394
Total:	7,956,137	8,821,394

12.00 Short Term Bank Loan:

The loan is with Social Islami Bank Ltd., Panthapath Branch, the break-up is as follows:

Particulars of Loan	30-06-2023	30-06-2022
Biam Com	36,959,491	17,735,886
LTR	-	19,124,820
Bai Muajjal WC CMSME (Revolving)	23,338,723	-
HPSM-Project(Machinery) ME	15,087,891	-
Total:	75,386,105	36,860,706

The above balances are in agreement with the respective bank statements.



13.00 Creditor for Expenses:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Pragati Insurance Ltd.	754,741	2,564,818
Provision for P.Fund	1,064,620	1,114,620
Audit Fee Payable	138,000	115,000
Provision for Salary & Wages	632,364	650,000
Provision for Directors Remuneration	240,000	120,000
Chittagong Stock Exchange Ltd.	250,000	150,000
Dhaka Stock Exchange Ltd.	50,000	50,000
Dividend Distribution Tax	-	277,500
NAVANA	262,990	127,990
Office Rent Payable	-	643,973
9th Floor Rent & Other Service Charges	1,005,953	648,545
Membership/CDBL Fees Payable	288,052	181,706
TDS & VDS Payable	-	58,095
Holding Tax Payable	2,049,980	2,049,980
M/S Sirajul Islam & Sons	1,556,476	-
Total:	8,293,176	8,752,227

14.00 Unclaimed Dividend:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	5,108,002	10,614,360
Add: Dividend Payable	-	2,630,146
	5,108,002	13,244,506
Less: Paid during the year	1,805,489	7,931,019
Less: Adjustment during the year	-	205,485
Closing Balance	3,302,513	5,108,002

Year wise Dividend break-up

Year	Unclaimed Dividend	Dividend Status	Paid during the year	Total Unclaimed	Chq issued to CMSF	Remaining Balance
1996	261,250		-	261,250	-	261,250
2000	114,500		-	114,500	-	114,500
2001	87,600		-	87,600	-	87,600
2002	96,750		-	96,750	-	96,750
2003	43,500		-	43,500	-	43,500
2004	107,750		-	107,750	-	107,750
2005	138,300		-	138,300	-	138,300
2006	119,510		-	119,510	-	119,510
2011	116,933		-	116,933	-	116,933
2017-18	161,068	5% Cash	-	161,068	-	161,068
2018-19	1,038,223	7.5% Cash	-	1,038,223	-	1,038,223
2019-20	192,473	4% Cash	-	192,473	-	192,473
2021-22	2,630,146	5% Cash	1,805,489	824,657	-	824,657
Total	5,108,002		1,805,489	3,302,513	-	3,302,513



**15.00 Workers Participation and Welfare Fund:**

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	3,663,743	3,768,357
Add: Provision during the year	137,643	186,698
	3,801,386	3,955,055
Less: Payments during the year WPWF	186,698	291,312
Closing Balance	3,614,688	3,663,743

16.00 Associates/Others Loan:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
a) Associates Loan:		
Dulamia Cotton Spinning Mills Ltd.	3,305,075	3,314,537
A&A Investment Ltd.	3,447,100	3,897,100
Multimode Energy Resource Ltd.	17,888,213	18,888,213
North South Seeds Ltd.	19,058,775	19,058,775
Lal Teer Beej Co Ltd	-	400,000
Lal Teer Seed Ltd.	70,580,229	67,345,574
Joongbo Multimode Chemical Ltd.	264,854	264,854
Proton Service centre Ltd.	6,815,399	6,815,399
Lal Teer Developement Ltd.	4,251,200	6,151,200
Lal Teer Live Stock	6,645,000	7,895,000
Multisourcing Limited	338,112	338,112
Sub total (a)	132,593,957	134,368,764
b) Directors Loan:		
Mr. Abdul Awal Mintoo	6,600,000	6,600,000
Mr. Tabith M Awal	30,434,954	28,504,954
Mr. Tafsir M Awal	10,212,940	11,198,000
Mr. Tajwar M Awal	2,500,000	2,500,000
Sub total (b):	49,747,894	48,802,954
Total (a + b)	182,341,851	183,171,718

17.00 Provision for Income Tax:

The details break-up is made up as follows:

Particulars	Note	30-06-2023	30-06-2022
Opening Balance		20,140,450	20,872,111
Add: Current Year Provision	17.02	1,089,517	746,791
		21,229,967	21,618,902
Less: Paid during the year		2,394,277	370,595
Less: Adjustment against A/Y 2017-18		-	1,107,857
Closing Balance		18,835,690	20,140,450

17.01 Tax Provision for Current Year:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Current Year Profit	2,752,858	3,733,955
Gross Turnover	181,586,229	108,053,949
Tax provision @ 20% on Profit	550,572	746,791
Tax provision @ 0.6%, Section 143 (3)	1,089,517	648,324
which is higher.	1,089,517	746,791



17.02 The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Balance relating to 2007 (Assessment year 2008-09)	1,427,661	1,427,661
Balance relating to 2012 (Assessment year 2013-14)	3,884,745	4,484,745
Balance relating to 2013 (Assessment year 2014-15)	2,110,740	2,310,740
Balance relating to 2014 (Assessment year 2015-16)	3,260,165	3,460,165
Balance relating to 2015 (Assessment year 2016-17 part)	2,702,716	2,702,716
Balance relating to 2015 (Assessment year 2016-17 part)	2,333,214	2,333,214
Balance relating to 2016 (Assessment year 2016-17)	358,225	358,225
Balance relating to 2019 (Assessment year 2019-20)	286,232	286,232
Balance relating to 2020 (Assessment year 2020-21)	163,315	719,060
Balance relating to 2021 (Assessment year 2021-22)	472,370	1,310,902
Balance relating to 2022 (Assessment year 2022-23)	746,791	746,791
Balance relating to 2023 (Assessment year 2023-24)	1,089,517	-
Total:	18,835,690	20,140,450

18.00 **Sales Revenue:**

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
CNG	89,157,963	66,271,740
Fuel	5,315,162	-
Natural Sand & Stone	84,632,446	30,657,564
Total:	179,105,571	96,929,304

19.00 **Cost of Sales:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Direct cost	19.01	170,930,070	88,682,780
Indirect Cost	19.02	1,658,073	857,613
Depreciation	Schedule-A	1,521,553	1,684,061
Total:		174,109,695	91,224,454



**19.01 Direct Cost:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Cost of goods sold- CNG		74,473,156	54,864,600
Cost of goods sold- Fuel	19.01.1	5,134,476	-
Cost of goods sold- Sand/Stone	19.01.2	78,801,048	26,626,341
Gas bill- Captive Power		9,917,526	4,607,083
Fuel & Lubricant		811,474	770,160
Padma Licence fee		270	-
Pay order charge		345	-
Fuel Carrying Cost		48,000	-
Salary & Wages- Factory		1,743,775	1,814,597
Total:		170,930,070	88,682,780

Captive power gas charge increase Tk. 14 (Tk.30- Tk.16) per cubic meter from the billing month Feb-2023, that's why captive gas bill increase significantly.

19.01.1 Cost of Materials-Fuel:

The details break-up is made up as follows:

Particulars	Note	30-06-2023	30-06-2022
Opening Stock		-	-
<u>Add: Purchase during the year</u>			
Purchase of Diesel		4,744,350	-
Purchase of Octane		559,530	-
Purchase of Petrol		537,660	-
		5,841,540	-
Less: Closing Stock (at cost)	4.02	707,064	-
Cost of goods sold		5,134,476	-

19.01.2 Cost of Materials-Sand & Stone:

The details break-up is made up as follows:

Particulars	Note	30-06-2023	30-06-2022
Opening Stock		-	412,987
Add: Purchase during the year	4.03	78,801,048	26,213,354
		78,801,048	26,626,341
Less: Closing Stock		-	-
Closing Balance		78,801,048	26,626,341

19.02 Indirect Cost:

The details break-up is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Spares & Store Materials	19.02.1	1,331,735	593,477
Land & Municipal Tax		55,343	80,335
Overtime & Holiday bill		71,656	54,451
Printing & Photocopy		25,115	-
Local Conveyance		57,724	-
Licence- Factory		4,000	-
Entertainment/ Lunch Subsidy		112,500	129,350
Total:		1,658,073	857,613

19.02.1 Spares & Store Materials:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Stock	2,789,990	-
Add: Purchase during the year	1,931,935	-
	4,721,925	-
Less: Closing Stock	3,390,190	2,789,990
Closing Balance	1,331,735	593,477



20.00 General & Administrative Expenses:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Electricity/Utility Bill	56,016	104,112
Salaries & Allowance- H/O	5,672,937	4,856,058
Director Remuneration	1,440,000	1,440,000
Insurance Premium	-	616,668
Legal & Professional Fees	21,000	102,510
Licence & Registration	113,388	127,965
Postage & Telephone	72,435	108,253
Local Conveyance	81,092	45,947
Director Tour/Travelling	496,769	348,367
Stationeries & Photocopy	23,620	-
Office rent	233,496	283,457
Vehicle Maintenance	141,003	323,481
Audit Fee	213,000	115,000
Board Meeting Expense	55,206	88,958
AGM & EGM Expenses	34,170	-
IT Enable Service	89,615	52,500
Corporate Expenses	272,996	184,859
Membership Fee	107,000	116,344
CDBL Connection Fee	31,000	-
Annual listing Fee	100,000	100,000
Annual report printing	87,250	77,660
Recruiting Expense	32,560	-
Publishing Expense	19,100	126,514
Security & Service Charge	70,896	67,896
Total:	9,464,549	9,286,549

21.00 Selling & Marketing Expenses:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Daily Labor/Casual worker	53,387	105,287
Sales Salary & Wages	174,424	133,684
Total:	227,811	238,971

22.00 Financial Expense:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Bank Charge	53,757	70,710
Credit Report	20,000	20,000
BG Commission	231,611	231,611
Bank Interest	4,021,840	3,061,000
Total:	4,327,208	3,383,321

23.00 Dividend Income:

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Pragati Insurance Ltd	-	39,658
Pragati Life Insurance Ltd	7,197	7,851
Central Depository Bangladesh Limited	1,427,955	1,427,955
Total:	1,435,152	1,475,464





24.00 **Rental Income:**

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Lease Rent	9,433,536	12,660,672
Less: Holding tax	-	2,049,980
Less: Rent adjustment (Waived)	-	969,293
Total:	9,433,536	9,641,399

25.00 **Others Income:**

The details break-up is made up as follows:

Particulars	30-06-2023	30-06-2022
Profit/Interest from Bank	14,309	7,782
Scraps Sales	52,000	-
Realize Capital Gain	979,197	-
Total:	1,045,506	7,782

26.00 **Related Party Transaction:**

The details break-up is made up as follows:

Name of related Party	Opening Balance	Received	Payment	Closing Balance
Dulamia Cotton Spinning Mills Ltd.	3,314,537	-	9,462	3,305,075
A&A Investment Ltd.	3,897,100	-	450,000	3,447,100
Multimode Energy Resorce Ltd.	18,888,213	-	1,000,000	17,888,213
Multimode Ltd.	(4,258,433)	-	-	(4,258,433)
North South Seeds Ltd.	19,058,775	-	-	19,058,775
Lal Teer Beej Co Ltd	400,000	-	400,000	-
Lal Teer Seed Ltd.	67,345,574	3,234,655	-	70,580,229
Lal Teer Live Stock	7,895,000	-	1,250,000	6,645,000
Lal Teer Development Ltd.	6,151,200	-	1,900,000	4,251,200
Aryans Fashion	(386,750)	-	-	(386,750)
Joongbo Multimode Chemical Ltd.	264,854	-	-	264,854
Proton Service centre Ltd.	6,815,399	-	-	6,815,399
Multisourcing Limited	338,112	-	-	338,112
Chens Crop Science (BD) Ltd.	-	-	2,000,000	(2,000,000)
Bangladesh Petro Chemical Ltd.	-	700,000	6,000,000	(5,300,000)
Multimode Textile Mills Ltd.	-	-	851,373	(851,373)
Multimode Green Solutions Ltd.	-	-	520,000	(520,000)
Sub total:	129,723,581	3,934,655	14,380,835	119,277,401
Directors Loan:				
Mr AAM	6,600,000	-	-	6,600,000
Mr. Tabith M Awal	28,504,954	1,930,000	-	30,434,954
Mr. Tafsir M Awal	11,198,000	-	985,060	10,212,940
Mr. Tajwar M Awal	2,500,000	-	-	2,500,000
Sub total:	48,802,954	1,930,000	985,060	49,747,894
Total:	178,526,535	5,864,655	15,365,895	169,025,295



27.00 Net Assets Value Per Share:

Particulars	Amount
Share Holder Equity	393,440,544
Weighted Average Number of Ordinary Shares	5,147,656
	76.43

28.00 Earning per share (EPS):

Earnings per share (EPS) is calculated in accordance with "International Accounting Standard 33. Earnings Per Share", which has been shown on the face of "Statement of Profit or Loss and Other comprehensive income".

Basic earnings per share has been calculated dividing the Net Profit for the year attributable to Ordinary Shareholders by the weighted average number of Ordinary Shares outstanding during the year.

	No. of weighted average share
Number of shares outstanding as on Jun 30, 2023	5,147,656
Total:	5,147,656
	30.06.2022
Net Profit After Tax	1,663,341
Weighted average number of ordinary shares	5,147,656
Earning per share	0.32

29.00 Net Operating Cash Flow per Share:

Net Cash Flow from operating Activities	2,176,651
Weighted average number of ordinary shares	5,147,656
	0.42

30.00 Payment of remuneration and perquisites to Directors and Officers:

The aggregate amount paid/ provided during the year in respect of Director and Officers of the Company as defined in Securities and Exchange Rules, 1987 under the following heads are disclosed below:

	Directors	Officers
Managing Directors remuneration	1,440,000	
Managerial Remuneration	2,699,950	4,891,186
Perquisites:		
House rent	-	-
Conveyance Allowances	-	-
Total:	4,139,950	4,891,186

Managing Director's Salary is for the whole year Tk.14,40,000 & The company spent Tk. 7,591,136 for its employees during the year.

30.01 Attendances fee for Board Meeting was paid to the Directors @ Tk. 5,000 per meeting.



**31.00 Reconciliation of Cash Flows:**

The reconciliation of Net Cash Flow from Operating activities between Direct and Indirect Method as follows:

Particulars	30-06-2023	30-06-2022
Cash flow from Operating Activities		
As per direct method	<u>2,176,651</u>	<u>(15,410,089)</u>
<u>As per Indirect method</u>		
Net Profit /(Loss) before Tax	2,884,287	3,733,955
Adjustment for Cash Movement and Changing Working Capital	-	-
Depreciation	1,521,553	1,684,061
(Increase)/Decrease Inventory	(1,307,264)	412,987
(Increase)/Decrease Accounts and Others Receivable	(1,870,036)	(20,045,742)
(Increase)/Decrease LC in transit	1,955,125	(1,625,548)
Increase/(Decrease) Creditor for Goods	(865,257)	(1,413,817)
Increase/(Decrease) Creditor for Expenses	(597,051)	2,501,608
Increase/(Decrease) To Be Distributed as Dividend	1,544,297	-
Increase/(Decrease) Provision for Income Tax	(1,304,760)	(731,661)
Increase/(Decrease) Workers Profit Participation Fund	215,759	74,068
	<u>2,176,651</u>	<u>(15,410,089)</u>
Net Cash from Operating Activities	<u>2,176,651</u>	<u>(15,410,089)</u>

32.00 Events After the Reporting Period; (IAS # 10):

There is no major event that has occurred subsequent to the date of Statement of Financial Position and affecting the operating results significantly except that the Board in its meeting held on October 30, 2023 recommended 3% Cash Dividend to the Shareholders of the company for the year ended June 30, 2023 which is subject to approval by the shareholders in the next annual general meeting.

Tabitha Awal
Managing Director

Tajwar Awal
Director

Kazi Ekramul Hoque
Chief Financial Officer

Sayed Ahmed
Company Secretary

Dated: Dhaka, November 13, 2023



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2023/274

BAPLC

Date of issue: September 26, 2023

Renewed Certificate

This is to certify that

KAY & QUE (BANGLADESH) LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2023.



[Signature]
Secretary General



Registered Office: "Anchor Tower"

Proxy Form

Signature of the Member(s)

Signature of the PROXY

[illegible]

Revenue Stamp
Tk. 20/-

- The Proxy Form, duly filled and stamped, must be deposited at the Company's Registered Office not later than 48 hours before commencement of the AGM either physically or through e-mail.
- Signature of the Member(s) must be in accordance with the Specimen Signature recorded with the Company.

Signature Verified by

Authorized Signature of the Company



Registered (Office: "Anchor Tower")

Attendance Slip

[illegible]

Signature Verified by

Signature of the Member/Proxy

Authorized Signatory of the Company



Photographs 38th AGM, 2021-2022

ক্যাশিয়ার (সহকারী) ঠিকানা
KAY & QUE (BANGLADESH) LTD.



১৮ম বার্ষিক সাধারণ সভা

(১৮ম বার্ষিক সাধারণ সভা)

১৮০৬, চন্দ্রাবতী ৬৫, চাঁদমালা, কলকাতা ০০:৫৫, ভারত



Shareholder's Participation During AGM



Anchor Tower

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