Annual Report
2017-2018



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

AMAR STOCK

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EGM, Creditors Meeting and 33nd AGM, 2016-2017













Kay & Que (Bangladesh) Limited

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

Notice of the 34th Annual General Meeting

The notice is hereby given to all the valued shareholders of Kay & Que (Bangladesh) Limited that, the 34th Annual General Meeting (AGM) of the company will be held on Sunday, 9th December, 2018 at Sundarban Hotel, 112, Bir Uttam C.R. Dutta Road, Dhaka-1205 at 10:00 am. The following businesses will be transacted in the meeting:

Ordinary Business:

1. Approval of the Annual Audited Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity together with the notes for the year ended 30th June, 2018.
2. Rotation and Re-appointment of Directors of the company.
3. Appointment of the Statutory Auditor & Compliance Auditor for the year 2018-2019 and fixation of their remunerations.
4. To Approve the Dividend recomanded by the Board

By order of the Board of Directors

Sd/-

Partha Protim Das ACS
Company Secretary

Notes:

1. The Record Date was on Thursday, 15th November, 2018. The shareholders, whose name appeared on the members register, will be eligible to attend the meeting and entitled for Dividend.
2. A member eligible to attend and vote at the AGM may appoint a proxy to attend and vote on his/her behalf. Proxy Form must be affixed by requisites revenue stamp and must be submitted to the Registered Office of the company not less than 72 hours before the time forced for the Annual General Meeting.
3. Attendance to the AGM venue will be upon production of the attendance card attached with the Annual Report.
4. The Downloadable Version of Annual Report for the year ended 30.06.2018 and the attendance card will be available on the website of the company at **www.kayandque.com.**
5. As per the notification of Bangladesh Securities and Exchange Commission there will be no arrangement of gift or entertainment in the Annual General Meeting.

COMPANY PROFILE

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
Auditors	:	M/s. A. Wahab & Co. Chartered Accountants Hotel Purbani Annex-2, Lavel-4, 1 Dilkusha, Dhaka-1000 Bangladesh
Compliance Auditors	:	M/s. Anisur Rahman & Co. Chartered Accountants 70/C, Purana Paltan Line, 3rd Floor VIP Road, Dhaka-1000
Factory Address	:	Dhamrai,Dhaka-Aricha Highway, Phone: 9346187
Registered Address	:	Anchor Tower, 108 Bir Uttam C.R. Dutta Road, Dhaka-1205
Phone	:	02-58610012-18, 58610027, 58610115
Fax	:	+880-2-9662734
E-mail	:	info@multimodebd.com
Web	:	www.kayandquebd.com

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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. A.K.M. Rafiqul Islam, FCA
Independent Director



Mr. Md. Rezaul Karim
Nominated Director (Pragati Insurance Ltd.)



Mr. M.J. Azim
Nominated Director (Pragati Life Insurance Ltd.)



Brig. Gen. (Retd) A.M.M. Wazed Thakur
Independent Director



Mr. Tarek Nizamuddin Ahmed
Nominated Director (ICB)

Board of Directors

Mr. Abdul Awal Mintoo
Chairman of the Board of Directors

Mr. Tabith Awal
Managing Director

Mrs. Nasreen Fatema Awal
Director

Mr. Tafsir M. Awal
Director

Mr. Tajwar M. Awal
Director

Mr. A.K.M. Rafiqul Islam FCA
Independent Director

Mr. M. Jalalul Azim
Director (Nominated by Pragati Life Insurance Ltd.)

Mr. Md. Rezaul Karim
Director (Nominated by Pragati Insurance Ltd.)

Brig. Gen. (Retd.) A.M.M. Wazed Thakur
Independent Director

Mr. Tarek Nizamuddin Ahmed
Director (Nominated by ICB)

Audit Committee

Mr. A.K.M. Rafiqul Islam FCA
Chairman (Independent Director)

Mr. Tafsir M. Awal
Mamber

Mr. Tarek Nizamuddin Ahmed
Mamber

Mr. Partha Protim Das ACS
Secretary of Audit Committee

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Top Executives



Mr. Iftekhar Uddin
Chief Financial Office (CFO)



Mr. Partha Protim Das ACS
Company Secretary



Mr. Md. Shamsur Rahaman
Head of Internal Audit (In-charge)

Kay & Que (Bangladesh) Limited

ANNEX-1

5 YEARS AT A GLAANCE

Sl No.	Particulars	2013	2014	2015-2016	2016-2017	2017-2018
1	**Financial Performance**					
	Net Sales	100,739,664	104,389,770	165,399,083	67,440,608	**124,723,040**
	Gross Profit	1,172,896	15,365,083	31,075,992	10,924,824	**23,953,393**
	Net Profit Before Tax	(16,883,624)	(2,925,331)	591,914	675,907	**5,922,555**
	Net Profit After Tax	(17,387,322)	(3,238,500)	(83,396)	225,418	**4,441,603**
2	**Share Capital and Reserve**					
	Paid up Capital	49,025,300	49,025,300	49,025,300	49,025,300	**49,025,300**
	Reserve and Surplus	(36,836,368)	(41,445,705)	(105,363,160)	(105,137,742)	**(120,383,547)**
3	**Assets**					
	Fixed Assets	75,675,834	70,523,389	53,343,889	50,389,274	**494,776,102**
	Other Assets	119,615,672	122,268,770	61,748,172	77,696,064	**108,359,131**
4	**Others**					
	Book Value Per Share	10.00	10.00	10.00	10.00	10.00
	Dividend	-	-	-	-	5% Cash
	Earning Per Share	(3.55)	(0.66)	(0.02)	0.50	0.91

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DIRECTORS' REPORT

Dear Valued Shareholders,

It is our immense pleasure and privilege to place herewith the Directors' Report and Auditor's Report including the Compliance Report and the Audited Financial Statements of Kay and Que (Bangladesh) Ltd. for the year ended 30th June, 2018.

This Report confirms compliance of Corporate Governance Code – 2018 relevant laws, regulations, directives, notification as guided and directed by BSEC and Companies Act, 1994 and industrial best practices being exercised in the presentation of the Companies financial accounts as well as on operation.

For understanding and information of shareholders, we have included the present status and the future business plans as well as the ongoing restructuring activities of the company.

Overview State of Company Affairs:

The company was incorporated in January 19, 1984 with only one operational unit (Carbon Rod) since before coming under the exiting 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).

In 1996 the company floats 90,000 ordinary shares of Tk.100/- each to called funds from general shareholders and in the latter years it had declared stock dividends among the she shareholders. Currently it's paid-up capital stands at 4,902,530 ordinary Shares of Taka.

In the year 2002 the company had opened coal tar unit as by product of unit-1. After that Pesticide & CNG unit had been opened simultaneously in 2008 & 2009.

But due to distortion of operation of productivity and problems in machineries of carbon rod, The producation was being suspended. Management was keen to start the operation resolving the problems. But change of technologies compelled management to stop their plans for BMRE. Fur ther more, Drustical fall of Demand of coal tar in Bagladesh market, the operation of unit-2 had also become closed.

As a result, the company disposed all the machineries of Unit-1 & Unit-2 as scrape to a local vendor via proper tender process and demolished all establishments to lease out the vacant land to a Joint Venture Company for their food production unit for a period of 15 years.

Simultaneously, the Board of Directors in it's 155th meeting had approved the revaluation report & the company took initiative to amalgamate M/s. MultiSourcing Limited with Kay & Que (Bangladesh) Limited. The Application of the amalgamation has already been admitted by the Hon'ble High Court Division of Bangladesh Supreme Court. As per the Admission order of the Hon'ble High Court division of Bangladesh Supreme Court, we have completed the Extra-ordinary General Meeting (EGM) and Creditor's Meeting on 17th October 2018 at Sundarban Hotel. In this meeting all the eligible shareholders and creditors have given their consent and approved the Amalgamation Scheme unanimously.

On the other hand, the management is trying to diversify the business by opening a new unit to import boulders from India, Bhutan and some other countries to retail the same in different points of Bangladesh.

Operations of Unit – 1, 2 & 3:

As we reported earlier that Unit-1 was a Carbon Rod producing unit, Unit-2 was Alkatra producing Unit & Unit-3 was a Pesticide unit.

Unit-1: In the year 2012 the Unit-1 has gone under a long maintenance due to distortion of productivity. We had appointed Padma Techno-Consult & Survey Ltd., a heading consulting engineers & surveyors to understand the current status of the plant.

In their report they have clearly mention that, the spare parts were not available in the local market. On the other hands, due to Crack in the kiln walls the extruder machine could't Maintain Proper Temperature.

In the year 2013 we wrote a letter to Bangladesh Securities & Exchange Commission (BSEC) regarding long maintenance of machinery and equipment.

In 2014 we had appointed another Chinese company named "G-Force holding" who had given us the same report about the present status of the machine. Further to that, the operation of those units were risky. In December 07, 2014 we wrote another letter to Bangladesh Securities & Exchange Commission (BSEC) regarding present status of machinery of the factory seeking their advice.

In reply BSEC informed us that, there is no scope of providing advice under the securities law. As there were no other choices, we had to suspend our operations of unit one Carbon Rod unit.

Unit-2: The Operations of coal tar unit was also suspended due to fall of demand in local market

Unit-3: As there were no marketing networks and distribution channels, packaging of pesticide was only mean of income from unit-3. but we had found no Viability from this packaging operations which results, the stoppage of the pesticide units.

After a long suspension of operations, the Board of Directors in the 144th meeting decided to sell out all the unused machineries of the Unit-1, and the Unit-2, at current market price and also to sell out the damaged raw materials at available market price, for the materials which do not have any market value, the board suggested to sell them out at scrape value, which has already been completed. The Board of Directors in its 145th meeting decided to Lease out the land of Unit-1 and Unit-2 to CG Foods (Bangladesh) Ltd. which was duly notified to our shareholders on 8th May, 2016.

Unit-4: As all other units had been disposed in 2016 since then CNG Unit is only operational Unit of the company. Like the previous years, Unit-4, the CNG filling and re-fueling station's operation was carried out successfully. Being adherent to the Highway and good pressure of gas, the CNG Station is preferred by the customers.

Operational Activities:

Kay and Que (Bangladesh) Ltd. registered with RJSC in 1984 was handed over to the present management by the then BSRS (Bangladesh Shilpa Rin Sangstha) in October 1988. Affter the transfer to the existing management had updated equipment and production process to ensure the highest standard and continution of the production. The carbon rod factory was well run after replacement of spare parts and routine maintenance. Unfortunately, some of the major

machineries namely Tunnel Kiln and Extruder started malfunctioning, which resulted distortion in quality of the products and production had to be stopped.

We had tried to contact the original manufacturer of machineries M/s. STC Corporation, Seoul, Korea through the local supplier M/s. Lucky Goldstar International Corporation, Dhaka. But found no existance of the original machine manufacturer in Seoul, South Korea. Later on we sought expert opinion from "Ralian" Cangzhou Yunlong Artex Manufacturing Co. Ltd., China on Tunnel Kiln and Extruder Machine. They sent us two experts, who had submitted report with their observations. As per the report, the Tunnel Kiln had developed cracks in the fire zone and it was very risky to run the kiln and the plunger pump of Extruder machine. Moreover, the model was not available due to change of technology. The experts suggested us to dismantle the Tunnel Klin and use "Screw Type" vertical fittings of Extruder Machine.

We received another opinion regarding the present status of kiln, Extruder Machine from M/s. Padma Techno Consultant Survey Ltd., Dhaka who was associated with the factory during erection, installation and commissioning of the plant. The Company suggested refurbishment of kiln and replacement of Extruder Machine. Under the circumstances, management had decided to stop the production of Carbon Rods as well as Coal Tar and Coal Tar Pitch to avoid huge financial losses.

From the year 2014, the Unit-3 had also stopped its packing activities and rented out the property to Chens Crop Science (BD) Limited which had generated rental income.

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 off the damaged materials of the company and for diversification of the business of the company. The Board of Directors in its 144th Board Meeting decided to dispose-off the damaged raw materials and also obsolete machineries in current market price or if required, then in scrap value. In reference to the decision, we made a price sensitive information notice in two National dailies for the information to the valued shareholders as well as informed BSEC, DSE & CSE subsequently.

The company had properly evaluated the assets, earmarked the same for disposal, retention and called an open tender to general public. After proper evaluation, the tender was awarded to a local company named M/s. Shifat Enterprise at the reward value of Tk. 74.00 Lac. The Board of Directors in its meeting had evaluated the total process and expressed their satisfaction on this issue.

Considering all the circumstances, the company had agreed on the offer for lease out 114,680.00 Sft land of Factory premises and 3,250 sft. space of office Building to CG Foods (Bangladesh) Ltd. for a period of 15 (fifteen) years 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

A notice of Price sensitive information was duly served on 08th May 2016 to BSEC, CSE, DSE and the General Shareholders regarding this Agreement.

Marketing Activates:

As the CNG Station is only productive unit of the company, there is no significant marketing activity of the company.

Sales Performance of 2017-2018

Table-1

The Year-wise statement of Production & Sales (Unit-1)

Figures In '000

Year	Annual Production Qty (pcs)	Annual Sales Quantity (Pcs.)			Annual Sales Quantity (Tk.)			Sales Growth
		Local	Export	Total	Local	Export	Total	
2005	249,134	149,794	101,773	251,567	44,893	30,996	75,889	24.27%
2006	228,568	119,682	711,184	830,866	37,151	23,665	60,816	-19.86%
2007	190,641	92,772	76,561	26,697	26,697	20,196	46,893	-22.89%
2008	152,420	87,002	67,538	154,540	23,455	21,528	44,983	-4.07%
2009	123,726	43,134	77,548	120,682	14,068	28,102	42,170	-6.25%
2010	122,493	56,374	59,186	115,560	20,467	22,067	42,534	0.86%
2011	125,525	80,320	51,528	131,848	26,187	21,607	47,794	12.37%
2012	135,008	74,902	64,826	139,728	28,479	24,254	52,733	10.33%
2013	30,749	21,900	8,004	29,904	10,653	3,919	14,572	-72.37%
2014	-	960	-	960	740	-	740	-94.92%
01-01-2015 to 30-06-2018	Operation has been Closed Permanently							

Table – 2
The Year-Wise statement of Production & Sales

Figures In '000 Taka

Year	Annual Production (MT)	In House Sales		Outside Sales Alkatra (MT)	Other Sales	Total Sales Qty. (MT)	Total Sales Values (000)	Sales Growth
		Refined Tar (MT)	Pitch (MT)					
2005	564.34	198.60	236.55	179.19	-	614.34	11,276	16.90%
2006	593.48	353.27	210.13	18.13	11.89	593.42	13,750	21.94%
2007	624.72	84.19	159.22	356.95	24.36	624.72	16,952	23.29%
2008	541.46	104.61	26.20	383.53	27.12	541.46	15,981	-5.73%
2009	562.00	60.51	3.00	433.91	18.35	515.77	13,736	-14.05%
2010	470.45	50.71	10.05	339.06	47.11	446.93	18,685	36.03%
2011	975.55	84.95	95.70	726.31	61.25	968.21	29,533	58.06%
2012	490.06	56.79	42.47	245.67	22.41	367.34	14,630	-50.46%
2013	-	-	-	-	-	-	-	0.00%
2014	-	-	-	-	-	-	-	-
01-01-2015 To 30-06-2018	Operation has been Closed Permanently							

The introduction of CNG business was a strategic policy of the Company which supported us to ensure minimum losses in our business operations.

Starting of the project remains uncertain but management has been exploring for new project to make the Company profitable.

Table-3

Year-wise statement of Production & Sales (Pesticide Unit)

Figures In '000 Taka

Year	Annual Production (MT)	Sales of Sulfur (MT)	Sales Mancozeb (MT)	Sales (MT)	Total Sales Qty. (MT)	Total Sales Value in (Tk.)	Sales Growth (%)
2008	371.31	325.00	46.31	0	371.31	50,695.00	0.00%
2009	161.57	135.49	24.32	1.76	161.57	35,686.00	-29.61%
2010	327.52	289.52	34.76	3.24	327.52	56,272.00	57.69%
2011	950.07	0	0	0	950.07	5,198.00	-90.76%
2012	295.94	0	Only Repacking From Dec. 2012			3,759.65	-27.67%
2013			Only Repacking			3,276.34	-12.86%
2014	Only Rental Income per year					1,920.00	
01-01-2015 to 30-06-2018	Operation has been Closed					-	-

Table – 4

The Year-Wise Statement of CNG Sales

Year	Sales Qty. In Cubic Meter	Sales amount (Tk.) in '000	Sales Growth (%)
2009	1,179.55	19,757	
2010	2,125.69	52,355	82.50%
2011	3,161.32	70,383	34.43%
2012	3,175.71	95,271	35.36%
2013	2,809.38	84,281	-11.54%
2014	3,635.78	101,827	20.82%
01.01.2015 to 30.06.2016	5,042.67	165,399	62.43%
2016-2017	1,840.09	67,440	(59%)
2017-2018	3,118.08	124,723.04	84.94%

Considering the existing Gas, Electricity and other Utility facilities, the management had been seeking for opportunities to generate income, which would also help to reduce the accumulated losses and also to generate profit for the company.

Apart from the existing restructuring process through Amalgamation with MultiSourcing Limited and the Boulder/Stone business, the management is keen to establish new projects. Meanwhile, the management initiated feasibility studies of several projects and prospective financial sources.

Financial Performance

The Company's financial performance as compared to the previous years is given below:

Summary of Financial Results

Figure in '000

Particulars	2007	2008	2009	2010	2011	2012	2013	2014	01.01.2015-30.06.2016	01.07.16 – 30.06.17	2017-2018
Net Sales	63,845	111,659	113,178	168,787	152,909	160,770	100,740	104,390	165,399	67,440	124,723.04
Gross Profit	16,159	18,052	17,400	37,697	36,036	18,511	117,298	153,65	31,076	10,924	23,953.39
Operating Profit	1,929	2,720	3,125	3,821	4,362	(17,922)	(16,530)	(2,591)	992	709	6,218.68
Net Profit (Before Tax)	1,060	1,810	2,040	3,311	3,925	(18,253)	(16,884)	(2,925)	592	675	5,922.55
Contribution to National Exchequer	9,926	18,224	13,754	12,320	8,358	5,623	1,389	96,	Nil		3,751.34
Foreign exchange earned	226	295	404	315	270	316	3,918	-	Nil	Nil	Nil

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 is now 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 resolved amicably.

Management:

The Board of Directors of the Company is 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 Managing Director of the Company. Moreover, the independent directors namely Mr. A.K.M. Rafiqul Islam, FCA and Brig. Gen. (Retd.) AMM Wazed Thakur are contributing immensely for the diversification of the plant.

Objectives

The Management since the units has gone for long term maintenance, continuously tried to introduce the new investments in the company. Meanwhile, the Company has 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 has revalued the assets of the company which stood Tk.584,795,873.00 against the book value of Tk. 138,134,723.00 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 has decided to amalgamate the MultiSourcing Limited with Kay & Que (Bangladesh) Ltd. This is important to mention here that, MultiSourcing Limited is a Information technology based company. Basically provide services to the Mobile phone operators. Other than that, the company develop customize business solution Software called ERP (Enterprise Resource Planning) to different Stakeholders.

We had received the Order of the admission of application of the Merger for Hon'ble High Court Division of Bangladesh Supreme Court on 19.08.2018. In the admission order, Hon'ble High Court has ordered us to hold the Meeting of Creditors and Extra-Ordinary General Meeting (EGM). We have held both the meeting on Wednesday, 17th October 2018 at Hotel Sundarban as per the said Order.

Upon Successful Completion of the amalgamation, Kay and Que (Bangladesh) Limited will receive an established business as its operational unit. On the other hand, the MultiSourcing Limited being a unit of Kay & Que (Bangladesh) Limited will be able to use the utilized resources to expand its business for Mobile Content Library and state of art cloud based date center in Bangladesh.

As a result the company will be a multi-diversified company with an ICT based unit. We believe, the Combination of the expertise of the existing management and diversified IT personnel will take the industry to a new height.

Other Businesses for Consideration:

The Management is also planning start boulder business importing from Bhutan and India and Crash them to chips for retailing in Bangladesh.

The Management is concerned about the current condition and they have been trying to make the Company sustainable with their whole hearted efforts. The management has been trying hard to explore the way out to reduce the continuous loss of the Company.

Key Strengths

- The main key strengths of our company are our experienced management and dynamic workforce whom we can utilize for any situation. They are well expert and experienced and capable to dedicate for betterments of the company whenever required.

- Besides we have very suitable location with the facilities of high pressure gas connection, electricity supply, generator service and water supply that can be a support to us for any new project based on our good infrastructure.

Weaknesses

- The rapid changes of technologies and sluggish market condition are our weaknesses.

Opportunity and Threat of Environment

Our Professional Management can make any project successful, which we always consider as our big opportunity. The management is continuously seeking a convenient project to implement alone or with co-operation with foreign enterprises. The expertise which is developed in years of experience is very much competent for the Company to implement feasible project within a short period of time.
The changing of technology is our major threat.

Achievements:

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

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Board of Directors

Mr. Abdul Awal Mintoo
Chairman

Mr. Tabith Awal
Managing Director

Mr. Tafsir M. Awal
Director

Mrs. Nasreen Fatema Awal
Director

Mr. Tajwar M. Awal
Director

Mr. A.K.M. Rafiqul Islam FCA
Independent Director

Brig. Gen. A.M.M. Wazed Thakur
Independent Director

Mr. Tarek Nizamuddin Ahmed
Nominated Director

Mr. M. Jalalul Azim
Nominated Director

Mr. Md. Rezaul Karim
Nominated Director

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The Pattern of Shareholding

1. Parent / Subsidiary/ Associate Companies: Nil

2. Directors, Chief Executive Officer, Company Secretary, Chief Finance Officer, Head of Internal Audit and their spouses and minor child;

Name	Status	Number of Shares
Mr. Abdul Awal Mintoo	Chairman	184,770
Mr. Tabith Awal	Managing Director	98,660
Mr. Tafsir M. Awal	Director	101,260
Mrs. Nasreen Fatema Awal	Director	188,450
Mr. Tajwar M. Awal	Director	41,500
A.K.M. Rafiqul Islam FCA	Independent Director	1,260
Brig. Gen. A.M.M. Wazed Thakur	Independent Director	-
Mr. Tarek Nizamuddin	Director	-
Mr. M. Jalalul Azim	Director	-
Mr. Md. Rezaul Karim	Director	-
Mr. Iftekhar Uddin	CFO	-
Mr. Partha Protim Das ACS	Company Secretary	-
Mr. Shamsur Rahman	Head of Internal Audit & Compliance	-

3. Shareholders holding ten percent (10%) or more voting Interest- Nil

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 Mr. Abdul Awal Mintoo, Mrs. Nasreen Fatema Awal and Mr. Tajwar M. Awal are retiring in this Annual General meeting. As per Article 135 of the Articles of Association of the Company, being eligible for re-election, they have offered their candidature to be re-elected.

Information about Appointment / Re-appointment of Director

Brief Resume

Mr. Abdul Awal Mintoo

Abdul Awal Mintoo , one of the most diversified businessman of the country was born in 1949. A lot of industries including Trade, Shiping, Bank & Insurance has been established under his expertise and acumen ship. 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 has recently received another post Graduation Degree in Agricultural Economics from university of London.

Nature of Expertise

Mr. Abdul Awal Mintoo has over 42 years of Experience in the business field. He has good experience in the field of Agro farm.

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
Multimode Transport Consultants Limited	Director

Mrs. Nasreen Fatema Awal

Mrs. Nasreen Fateme Awal is to retire as Director in 34nd AGM of Kay & Que (Bangladesh) Ltd. and expressed her intention to be reelected as Director. Mrs. Nasreen Fateme 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.

She is associated with the business for over 23 years and at the moment, is one of the key personalities of Multimode Group. She has been performing as the Managing Director of M. F. Consumers Ltd. and as Director of various business houses.

Nature of Expertise

Mrs. Nasreen Fatema Awal has over 21 years of Management and Entrepreneurial Experience in the corporate houses. She has good experience in the function of Business Administration and Social & Humanitarian affairs.

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

Name of Company	Directorship / Membership in Board
M F Consumers Ltd.	Chairman
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. Tajwar M. Awal

Mr. Tajwar M. Awal is a young entrepreneur in the country who has proven his potentialities in the FMCS, automobiles and hospitality industries. Mr. Tajwar M. Awal has 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.

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
M F Consumers Ltd.	Director
Multimode Green Solutions Limited	Director
Lal Teer Livestock Ltd.	Director
Multimode Eco Check Limited	Director

Nominated Director Appointed By Pragati Insurance Ltd.

Mr. Md. Rezaul Karim

Mr. Md. Rezaul Karim, the Managing Director 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 35years long experience of his career, Mr. Karim has worked in different capacity of Insurance Sector. Besides that, Mr. Rezaul Karim was the Director of Central Depository Bangladesh Limited (CDBL).

Nominated Director Appointed By Pragati Life Insurance Ltd.

Mr. Md. Jalalul Azim is an MBA from IBA, university of Dhaka. He also obtained B.SC. in Agricultural Engeering and secured 1st Class 1st position. Mr. Azim started his career in British American tobacco and worked in variouos 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 alamni association, member of institute of Engineers & Army Golf Club.

Ex BCS Railway Cadre Officer Mr. Azim’s insurance career begun in ALILCO 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 also Managing Director & CEO in Delta Life Insurance and Pragati General Insurance Limited.

Nominated Director Appointed By ICB

Mr. Tarek Nizamuddin Ahmed

Mr. Tarek Nizamuddin Ahmed, the Deputy General Manager of Investment Corporation of Bangladesh (ICB) has been assigned as nominated Director of Kay & Que (Bangladesh) Ltd. He joined ICB as a Senior Officer in the year 1987. Mr. Ahmed has completed his Graduation and Post Graduation degrees in the Discipline of Management from the University of Chittagong.

Attendance of Directors in Board Meetings

During the Year 2017-2018, 06 (Six) Board Meetings were held. The attendance record of the Directors in the meeting is as follows-

Name of Directors	No of Meeting Held	Meeting Attended	Remarks
Mr. Abdul Awal Mintoo	6	4	
Mr. Tabith M. Awal	6	6	
Mr. Tafsir M. Awal	6	6	
Mrs. Nasreen Fatema Awal	6	6	
Mr. Tajwar M. Awal	6	4	
Mr. A.K.M. Rafiqul Islam FCA	6	6	
Brig. Gen. AMM Wazed Thakur (Retd.)	6	6	
Mr. Tareq Nizam Uddin Ahmed	6	5	Nominated by ICB vide No. ICB/ SEDI/14.73/248/5301 Dated 19-04-16
Mr. M. Jalalul Azim	6	6	Nominated by Pragati Life Insurance Limited
Mr. Md. Rezaul Karim	6	6	Nominated by Pragati Insurance Limited

The Directors who could not attend the meetings were granted leave of absence.

Auditors

Statutory Auditors

M/s. A Wahab and Co. Chartered Accountants will have been completed three years of their tenure as per the Statutory Auditor in this 34th AGM, M/s. A Wahab and Co. Chartered accountant is not eligible to be re-appointed as auditor for the next period. Meanwhile, M/s. Shiraz Khan Basak and Company, Chartered Accountants has expressed their written interest to become Statutory Auditors of the Company. The Board of Directors in its 157th meeting of Board of Directors has recommends the appointment of the mentioned Audit Firm with a remuneration of Tk.100,000/- subject to the approved of the shareholders in 34th Annual General Meeting.

Compliance Auditors

The existing Compliance Auditor M/S Anisur Rahman & 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 157th meeting of Board of Directors has recommends the appointment of the mentioned Audit Firm subject to the approved of the shareholders in 34th Annual General Meeting and recomended to Authories the Managing Director to fix the remunerations.

Dividend

The Board of Directors has recommended 5% Cash Dividend for the year 2017-2018 subject to the approval of shareholder's in the 34th Annual General Meeting.

Annexure-A

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

Kay and Que (Bangladesh) Limited

Declaration by MD and CFO

October 23, 2018

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, 2018.

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, 2018 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, 2018 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

Iftekhar Uddin
Chief Financial Officer (CFO)

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.

Disclosure of Board of Directors to the Shareholders

We report that:

- The Financial Statements prepared by the Management of the Company presents the Company's State of Affairs, the results of its Operation, Cash Flows, Net Cash Flow per share, Earning Per share and Changes in Equity.
- Proper Books of Accounts of the Company are maintained.
- Appropriate Accounting Policies have been consistently applied in preparation of the Financial Statements and the accounting estimates are based on the reasonable and prudent judgment.
- International Accounting Standard (IAS), as applicable in Bangladesh, has been followed in preparation of the financial statements and proper disclosures have been given.
- The system of financial control is sound in design and has been effectively implemented and monitored.
- There is no significant doubt about the Company's ability to continue as going concern.
- The key operating and financial data for the last 05 years at a glance has given.
- The Management has recommended "5% Cash dividend" for the financial year ended on 30.06.2018.
- Directors have served the Board, attending almost 3/4 or more of total number of Directors.
- The pattern of share holding as on 30th June 2018 has given.

Acknowledgement

The Directors convey their gratitude and sincere appreciations to the kind patronization of the valued Clients, concerned Government and Regulators and Banker / Financer and suppliers towards continual operation of this industrial enterprise. The Board also recognizes the hard work and commitment of the workers, staff and officers of the Company. The Directors express their gratitude and thanks to the Share Holders of the Company for reposing their trust and value on the management of the Company.

On behalf of the Board of Directors,

Tabith M. Awal
Managing Director

Statement of Corporate Governance Status

Kay and Que (Bangladesh) Limited is very much cautious to maintain and comply with the prevailing companies Act, Rules - Regulations and Directions of Bangladesh Securities and Exchanges Commission, Stock Exchanges, RJSC etc. In continuation of that a report on Corporate Governance and compliance is stated below:

1. Board Size / Board of Directors

As per Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (3 June 2018, Condition-1.1) the Board of Directors of the Company is comprised of 10 (ten) members.

2. Independent Directors

As per Corporate Governance Code of Bangladesh Securities and Exchange Commission (3 June 2018, Condition-1.2) the Company appointed 02 nos. of Independent Directors which is more than 1/5th of total number of Directors in the Board. The appointment was approved in the 32nd Annual General Meeting.

The Independent Directors are-

- A.K.M. Rafiqul Islam, FCA, FCMA.
- Brig. Gen. (Retd.) AMM Wazed Thakur

The professional resumes of the Independent Directors are stated below:

I) A.K.M. Rafiqul Islam, FCA, FCMA.

A.K.M. Rafiqul Islam was appointed as an Independent Director of the Company by the Board Resolutions and that appointment is proposed to the shareholders for their approval in the 32nd AGM. Mr. Rafiqul Islam completed graduation under the University of Dhaka in 1957. He qualified as Chartered Accountant in 1965 from the Institute of Chartered Accountants of Pakistan. In 1981 he qualified Cost and Management Accountancy from UK.

Mr. Rafiqul Islam worked for different national and international organization during the tenure of his service life. He was the General Manager of Shadharan Bima from the year 1973 to 1986. He was the founder Managing Director of Pragati Insurance Limited. He was also the Director of Pragati Life Insurance Limited and Credit Rating Agency of Bangladesh (CRAB). He is former director of FBCCI and EC Member of Metropolitan Chamber of Commerce & Industries (MCCI).

Mr. Rafiqul Islam is having huge expertise in Accounts and Financial Management of the corporate houses. He has also expertise in Business Administration and crisis management.

II) Brig. Gen. (Retd.) AMM Wazed Thakur

Brig. Gen. Wazed Thakur (Retd.) has been appointed as an Independent Director of the Company the 32nd AGM.

Mr. Thakur has achieved diversified experience of more than 30 years of military service in leadership, human resource management, defense management, training management, security management and general administrative management. He has completed M Phil (Part-1) from Bangladesh University of Professionals (BUP) and graduated from College of Security Studies, USA.

During illustrious service, Brig. Gen. (Retd.) A..M.M. Wazed Thakur had the unique opportunities in managing strategic affairs which include civil-military cooperation, managing media, disaster management, coordinating development activities of NGOs working in Northern Bangladesh to reduce their wastages and avoid duplication / overlapping of efforts and resources. Earlier Brig. Gen. Wazed has held most prestigious appointments in military such as Brigade Commander, Commandant, Bangladesh Military Academy and Military Secretary to Prime Minister.

Chairperson & Managing Director:

As per corporate Governance Code of Bangladesh Securities and Exchange Commission (3 June 2018, Condition-4) the company appointed Mr. Abdul Awal Mintoo as the Chairman as well as Mr. Tabith Awal as the Chief Executive Officer/ Managing Director of the company.

3. 1. Chief Financial Officer, Company Secretary and Head of Internal Audit

As per corporate Governance Code of Bangladesh Securities and Exchange Commission (3 June 2018, Condition-3.0) the Company appointed Mr. Iftekhar Uddin as Chief Financial Officer (CFO); Mr. Partha Protim Das ACS as Company Secretary and Mr. Shamsur Rahman as Head of Internal Audit & Compliance.

4. Board of Directors Committee

As per corporate Governance Code of Bangladesh Securities and Exchange Commission (3 June 2018, Condition-4) (i) (ii) the Board of Directors of the company has the following two sub-committees as:

(i) Audit Committee
(ii) Remuneration & Nomination Committee

5. Audit committee

As per corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (3 June 2018, Condition-5) the Board Composed an Audit Committee is comprised of the following person:

Chairman (Independent Director)
Mr. A.K.M. Rafiqul Islam, FCA, FCMA

Member (Shareholding Director)
Mr. Tafsir M Awal

Member (Nominated Director, ICB)
Mr. Tarek Nizamuddin Ahmed

Secretry
Mr. Partha Protim Das ACS

6. Remuneration & Nomination Committee

As per corporate Governance Code of Bangladesh Securities and Exchange Commission (3 June 2018, Condition-6) the Board Composed an Audit Committee is comprised of the following person:

Chairman (Independent Director)
Brig. Gen. (Retd.) AMM. Wazed Thakur

Member (Shareholding Director)
Mr. Tajwar M. Awal

Member (Nominated Director)
Mr. M. J. Azim

Secretry
Mr. Partha Protim Das ACS

7. Maintaining the website of the company:

Kay & Que (Bangladesh) Limited has been maintaining the website www.kayandque.com. All the informations of the company are available in this website.

As per Corporate Governance Code of Bangladesh Securities and Exchange Commission dated 3 June 2018, Condition No. 1(5) (xxvii) the Compliance Certificate on Corporate Governance (Annexure-B) and status of compliance (Annexure-C) as required under condition No.9 imposed by Bangladesh Securities and Exchange Commission are attached herewith:

70/C, PURANA PALTAN LINE, 3RD FLOOR
VIP ROAD, DHAKA-1000
PHONE OFF. : 8318179
RES. : 9884705, MOBILE : 01819-252656
E-mail : anisurfca@yahoo.com

আনিছুর রহমান এন্ড কোং
ANISUR RAHMAN & CO.
CHARTERED ACCOUNTANTS

Certificate of Compliance to the Shareholders of Kay & Que (Bangladesh) Ltd. As Per Annexure-B[Certificate as per condition No. 1(5)(xxvii)] of Corporate Governance Code -03 June 2018 of Bangladesh Securities and Exchange Commission [BSEC]

Report to the Shareholders of Kay &Que (Bangladesh) Limited on compliance on the Corporate Governance Code We have examined the compliance status to the Corporate Governance Code by Kay &Que (Bangladesh) Limited for the year ended on30th June 2018. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, Dated: 3rd June 2018 of the Bangladesh Securities and Exchange Commission. Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code. This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code. We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission or not complied (if not complied, specify non-compliances);

(b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code or not complied (if not complied, specify non-compliances);

(c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws or not complied (if not complied, specify non-compliances); and

(d) The Governance of the company is highly satisfactory or satisfactory or not satisfactory.

Date : Dhaka, 22nd October 2018.

ANISUR RAHMAN & CO. Charterad Accountants

Anisur Rahman & Co.
Chartered Accountants

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(1)	The total number of members of a company's Board of Directors shall not be less than 5 (five) and more than 20 (twenty).	√		
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)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	√		
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company	√		
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (Two) financial years.	√		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	√		
1(2)(b)(v)	who is not a member or TREC holder, director or officer of ant stock exchange.	√		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of Stock exchange or an intermediary of the capital market	√		
1(2)(b)(vii)	who is not a partner or executive or was not a partner or an executive during the preceding 3 (three) years of the company's statutory audit firm	√		
1(2)(b)(viii)	who shall not be an independent director in more than 5 (Five) listed companies	√		
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI)	√		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude	√		
1(2)(c)	Independent Director(s) shall be appointed by BOD 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	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only	√		
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial Laws, regulatory and corporate laws and can make meaningful contribution to business	√		
1(3)(b)(i)	Independent Director is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed companyor a member of any national or international chamber of commerce or business association.	√		
1(3)(b)(ii)	Corporate Leader sho is or was a top level executive not lower than Chief Executive Officer or Manging Diractor or Deputy Manging Director nor Chief Financial Officer or Head of Finance or Accounts or company Secretary or Head of Internakl Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted commpany 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 Bbusiness Studies or Law.	√		
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.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriatecolumn)		Remarks (if any)
		Complied	Not complied	
1(3)(c)	The Independent Director shall have at least 10 (Ten) years of experience in any field mentioned in clause (b).	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the commission.	√		
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 hairperson 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 nonexecutive directors as Chairperson for that particular Board's meeting	√		
1(5)(i)	Industrial outlook and possible future developments	√		
1(5)(ii)	Segment and Product wise performance	√		
1(5)(iii)	Internal External Risk Factors threat to Sustainablity and negative impact	√		
1(5)(iv)	Discussion on COGS. GP Margin and Net Profit Margin	√		
1(5)(v)	Discussion on continuity of any Extra-ordinary activities and their implication	√		
1(5)(vi)	Related Party Disclosure with statements showing amount and nature of related party and nature of transactions	√		
1(5)(vii)	Statement for utilization of Proceeds raised through IPO, Right Issue or / any other instrument	√		
1(5)(viii)	Explanation if Financial results deteriorate after the IPO, RPO, Right Share, Direct Listing	√		
1(5)(ix)	Explanation for significant variesnce between the Quarterly unaudited Financial Statements and the Annual Financial Statements	√		
1(5)(x)	Statement of Remuneration of Directors in Independent Director	√		
1(5)(xi)	Statement for fair presentation of Financial Statement	√		
1(5)(xii)	Statement of Maintenance of Proper Books of Accounts	√		
1(5)(xiii)	Statement regarding appropriate accounting policy	√		
1(5)(xiv)	Statement regarding IAS and IFRS Compliance	√		
1(5)(xv)	statement regarding sound design of Internal Control	√		
1(5)(xvi)	Statement for minority interest protection	√		
1(5)(xvii)	Statement of being a going concern	√		
1(5)(xviii)	Explanation for significant deviations from last years operating results highlighting the reason	√		
1(5)(xix)	Summarized Five Years Operating and Financial Data	√		
1(5)(xx)	Explanation on mentioning reason of NO Dividend (Cash or Stock)			Board Has recommended 5 % Cash Dividend
1(5)(xxi)	Board Statement to the effect that no Bonus or stock dividend declared			Board Has recommended 5 % Cash Dividend
1(5)(xxii)	Total Number of Board Meeting	√		
1(5)(xxiii) (a)	Parents or Subsidiary or Associated Companies and other related parties			No Subsidiary Companies
1(5)(xxiii) (b)	Directors, CEO, Company Secretary, CFO, HIAC	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxiii)(c)	Executives	√		
1(5)(xxiii)(d)	Shareholders holding 10 % or more voting rights			No Shareholders have 10% Voting Right
1(5)(xxiv)(a)	Brief Resume of Directors	√		
1(5)(xxiv)(b)	Nature of Expertise of Directors	√		
1(5)(xxiv)(c)	name of the Companies in Which the person also holds the Directorship	√		
1(5)(xxv)(a)	Accounting Policies and Estimation for preparation	√		
1(5)(xxv)(b)	Changes in accounting policies and estimation, mentioning the effect on financial performance	√		
1(5)(xxv)(c)	Comparative analysis of Financial Performance or results and Position	√		
1(5)(xxv)(d)	Comparision of financial performance with the peer industries	√		
1(5)(xxv)(e)	Financial and Economic Sceanario of the Country and the Globe	√		
1(5)(xxv)(f)	Risk and Concerns issues related to the Financial Statement	√		
1(5)(xxv)(g)	Future Plan or Projection or forecast for company's Operation	√		
1(5)(xxvi)	Declaration as per Condition No -3 (3) as per Annexure-A	√		
1(5)(xxvii)	Declaration as per Condition No -9 as per Annexure-B and Annexure-C	√		
1(6)	Meeting of the Board of Directors	√		
1(7)(a)	Code of Conduct as per the recommendation of Nomination and Remuneration Committee	√		
1(7)(b)	Code of Conduct as Determind by the NRC Posted on the Website			Under Process
2(a)	Provision of Composition of the Board of Subsidiary Company			No Subsidiary Company
2(b)	At least one Independent Director must be director of the subsidiary Company			No Subsidiary Company
2(c)	Minutes of Subsidiary Company be place to the meeting of Holding Company			No Subsidiary Company
2(d)	Minutes of Holding Company shall state the review of affairs of Subsidiary Company			No Subsidiary Company
2(e)	Audit Committee of Holding Company Shall review the Financial statements of Subsidiary Company			No Subsidiary Company
3(1)(a)	Appointment of Managing Director/ Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit & Compliance	√		
3(1)(b)	Separate individuals of MD/CEO, Company Secretery, CFO and HIAC	√		
3(1)(c)	MD/CEO, CS, CFO and HIAC shall not hold any executive position in any other listed company.	√		
3(1)(d)	Rexpective roles, responsibilities and duties of CFO, HIAC and CS.	√		
3(1)(e)	Board approval to removeMD or CEO, CS, CFO and HIAC.	√		
3(2)	Attendance of MD/CEO, CS, CFO, HIAC in the Board Meeting.	√		
3(3)(a)(i)	Statement do not contain any materially untrue statement or omit any materia fact or contain any misleading statemnent.	√		
3(3)(a)(ii)	Statements together presents true and fair view of company affirs.	√		
3(3)(b)	MD/ CEO and CFO certifyt about no fraudulent, illegel or violation of code of conduct.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3(3)(c)	Disclosure of certification of MD or CEO and CFO in the Annual Report.	√		
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee.	√		
5(1)(a)	Audit Committee as a sub-commttee of the Board.	√		
5(1)(b)	Audit Committee shall assist the Board to ensure the true and fair view of Financial Statements.	√		
5(1)(c)	Audit Committee Shall be responsible to the Board	√		
5(2)(a)	Audit Committee shall be composed of at least 3 Members	√		
5(2)(b)	Audit Committee Composition with Non Executive Director among them one is Independent Director	√		
5(2)(c)	All Members of Audit Committee Shall be Financially Literate	√		
5(2)(d)	In Case of Vacancy in audit Committee, fullfilment within one month	√		
5(2)(e)	Company Secreatary shall act as Secretary of the Committee	√		
5(2)(f)	The Quorum of the Audit Committee Meeting shall not constitute without one Independent Director	√		
5(3)(a)	Independent Director, the Chairman of the Audit Committee	√		
5(3)(b)	Absence of the Chairperson, shall recorded in the minutes of the meeeting	√		
5(3)(c)	Audit Committee Chairman Must be Presented in the AGM	√		
5(4)(a)	At Least 4 Meeting of Audit Committee in a Financial Year	√		
5(4)(b)	Quorum of the The Audit Committee shall be formed in presence of at lesat two members	√		
5(5)(a)	Oversee the Financial Reporting Process	√		
5(5)(b)	Monitor choice of Accounting Policiies and Principles	√		
5(5)(c)	Monitor internal Audit and Compliance process	√		
5(5)(d)	Oversee hiring and performance of External Auditors	√		
5(5)(e)	Holding meeting with the external or statutory auditors for review of the annual financial statements	√		
5(5)(f)	review along with the management, the annual financial statement befroe submission to the Board for Approval	√		
5(5)(g)	review the Quarterly and half yearly financial statement before submission	√		
5(5)(h)	review the adequacy of internal audit function	√		
5(5)(i)	review the management's discussion and analysis before disclosing	√		
5(5)(j)	Review statement of related party transaction	√		
5(5)(k)	Review Management Letter or Letter of Internal Control weakness issued by statutory auditors	√		
5(5)(l)	oversee the determination of audit fees and evaluate the performance of external auditors	√		
5(5)(m)	Oversee utilization of the Proceeds raised through IPO RPO or Right Issue	√		
5(6)(a)(i)	Report of Audit Committee to the Board	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(6)(a)(ii)(a)	Report on Conflict of Interest	√		
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified by internal audit	√		
5(6)(a)(ii)(c)	Suspected infringement of Laws, regulatory Compliances	√		
5(6)(a)(ii)(d)	Other matter which Audit Committee deems necessary to Disclose to the Board	√		
5(6)(b)	Reporting to the Authorities	√		
5(7)	Reporting to the Shareholders and General Investors	√		no incidendent arise
6(1)(a)	The company shall have a Nomination and Remuneration Committee(NRC) as a sub-committee of the Board.	√		-Do-
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria	√		
6(1)(c)	The terms of reference of the NRC is clearly set forth in writing.	√		
6(2)(a)	The committee shall comprise of at lest three members including an independent Director.	√		
6(2)(b)	All the members shall be non-executive Diriectors.	√		
6(2)(c)	Members shall be nominated and appointed by the Board.	√		
6(2)(d)	The Board have authority to remove and appoint any member of the committee.	√		
6(2)(e)	Fullfillment of vacancy of Board or committee within 180 days	√		
6(2)(f)	Appointment of External or Non Voter experts to Committee	√		
6(2)(g)	The company Secretary shall act as he secretary of the committee.	√		
6(2)(h)	At least one Independent Director must be attend in the meeting.	√		
6(2)(i)	No Mermber of the NRC Shall Receive, either directly or indirectly, any remuneration for any advisory or consultancy	√		
6(3)(a)	The Board selected one person as Chairperson of the NRC Committee amoung the independent Directors	√		
6(3)(b)	Committee Members shall select one Person as Chairperson in absence of the Chairper of the NRC Committee	√		
6(3)(c)	Chairperson will attend the AGM to answer the shareholders questions	√		
6(4)(a)	One NRC meeting in a Financial Year	√		
6(4)(b)	The Chairperson of the NRC may Convene any emergency meeting upon request of a Member	√		
6(4)(c)	Quorum of NRC Meeting in presence of Two Members or Two Third Members	√		
6(4)(d)	The Proceeding of NRC meeting shall be recorded duly in the minutes	√		
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and the shareholders	√		
6(5)(b)(i)(a)	Formulating the Criteria for determining qulification, attributes of Independent Director	√		
6(5)(b)(i)(b)	Relationship of remuneration to performance is clear and meets appropriate performance Benchmars	√		
6(5)(b)(i)(c)	Remuneration to Directors and Top level executives	√		
6(5)(b)(ii)	Diversifing the Board in terms of Age, Gender, Experience, Ethnicity educational backgroung and nationality	√		
6(5)(b)(iii)	Identifing the person who are qualified to become Directors and who can be appointed in top level executive position	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5)(b)(iv)	Criteria for evaluation of performance of independent Directors and the Board	√		
6(5)(b)(v)	Needs for employees at different level and determind their selection, transfer or replacement and Promotion criteria	√		
6(5)(b)(vi)	Human Resources and Taining Policy	√		
6(5)(c)	Disclosure of Nomination and remuneration policy	√		
7(1)(i)	Apprisal or valuation services or fairness opinions	√		
7(1)(ii)	Financial information system designed and implimentation	√		
7(1)(iii)	Book-Keeping or other services related to the accounting records or financial statement	√		
7(1)(iv)	Brocker- Dealer Services	√		
7(1)(v)	Acturial Services	√		
7(1)(vi)	Internal Audit Service or Special Audit service	√		
7(1)(vii)	Any services that the Audit Committee Determines	√		
7(1)(viii)	Audit or certification services on compliance of CG	√		
7(1)(ix)	other services that creates conflict of interest	√		
7(2)	Shareholding relation with the statutory/ external auditors or their family members	√		
7(3)	Representative of External auditors remain present in the AGM or EGM	√		
8(1)	The official website linked with the website of stock exchange	√		
8(2)	Website functional from the date of Listing			The Company Listed Since 1996, when internet were not available
8(3)	Company Have made available all the detail disclosure on the website	√		
9(1)	Corporate Governance Certificate obtained from Practicing Professional Chartered Accountant / Chartered Secretary disclosed in the Annual Report or not	√		
9(2)	The Professional who provided the Compliance Certificate of Corporate Governance Code Appoint In AGM By the Shareholders or Not?	√		
9(3)	The Directors of the company stated in accordance with the “Annex-C “ in the directors report or Not	√		



AMARSTOCK

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. AKM Rafiqul Islam, FCA	**- Chairman (Independent Director)**
2. Mr. Tafsir M Awal	**- Member**
3. Mr. Tarek Nizumuddin Ahmed	**- Member**

The Committee operates according to the terms of reference approved by the Board and in compliance with section 5(6)(a)(ii) of Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 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. Resolution of the Audit Committee Meeting:

1. 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 period ended on 30-06-2018.
2. Reviewed the Draft Annual Financial Statements of Accounts for the period ended on 30.06.2018 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.
3. Reviewed the Un-audited Quarterly and Half yearly Financial Statements of the Accounts for its proper presentation to the Share Holders and the Regulatory Authorities.
4. Reviewed the various reports of the Internal Auditors and their recommendations to take appropriate actions to the management where needed.
5. Reviewed the appointment of the External Auditors

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.



A.K.M Rafiqul Islam, FCA
Chairman of Audit Committee

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KAY & QUE (BANGLADESH) LIMITED

We have audited the accompanying Statement of Financial Position of KAY & QUE (BANGLADESH) LIMITED as of June 30, 2018 and the related Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Notes on financial statement for the year then ended.

Management's responsibility for the financial statements:

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility:

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expression an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion:

In our opinion, the financial statements prepared in accordance with applicable Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the Company's affairs as of June 30, 2018 and of the results of its operations and its Cash Flows for the period then ended and comply with the Companies Act, 1994, and other applicable laws and regulations.

We report that:

a) 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;

b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;

c) The company's Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity dealt with by the report are in agreement with the books of accounts; and

d) The expenditure incurred was for the purposes of the company's business

A Wahab & Co.

(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS

Dated: Dhaka, October 28, 2018

KAY & QUE (BANGLADESH) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

Particulars	Notes	Boulder	30-06-2018	30-06-2017
ASSETS:				
Non-Current Assets				
Property, Plant & Equipment	3.00		494,776,102	50,389,274
Investment	4.00		11,342,114	5,960,505
Current Assets			**97,017,017**	**71,735,559**
Inventories	5.00		12,872,252	1,653,650
Sundry Debtors	6.00		32,006,419	12,671,531
Advance & Deposit	7.00		48,534,434	54,817,517
Cash & Bank Balances	8.00		3,603,912	2,592,860
Total Assets			**603,135,233**	**128,085,338**
EQUITY AND LIABILITIES:				
Shareholders Equity			**375,302,903**	**(56,112,442)**
Share Capital	9.00		49,025,300	49,025,300
Revaluation Reserve	10.00		446,661,150	-
Retained Earnings	11.00		(120,383,547)	(105,137,742)
Current Liabilities			**227,832,330**	**184,197,780**
Inter Unit Fund	12.00		-	-
Creditors for Goods	13.00		10,837,677	7,885,612
Short Term Loan	14.00		19,139,699	-
Creditor for expenses	15.00		11,851,880	6,827,384
Workers Profit participation Fund	16.00		3,477,046	3,180,918
Unpaid Dividend	17.00		8,608,206	8,608,206
Dividend Distribution Tax			277,500	277,500
Income Tax provision	18.00		19,008,594	2,380,915
Deferred Tax			160,000	160,000
Others/ Associates loan	19.00		154,471,727	154,877,245
Total Equity and Liabilities			**603,135,233**	**128,085,338**
Net Assets Value Per Share	28.00		**76.55**	**(11.45)**

The accompanying notes from 01.00 to 35.00 form an integral part of these financial statement.

Managing Director | **Director** | **Company Secretary**

Subject to our separate report of even date.

Dated: Dhaka, October 28, 2018

A. WAHAB & CO. Dhaka Chartered Accountants

(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS

KAY & QUE (BANGLADESH) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2018

Particulars	Notes	30-06-2018	30-06-2017
Sales	20.00	**124,723,040**	**67,440,608**
Less: Cost of Goods Sold	21.00	100,769,647	53,244,710
Gross Profit		**23,953,393**	**14,195,898**
Dividend Income	22.00	1,447,082	1,430,507
Rental & Other Income	23.00	13,003,239	6,210,511
Sub Total		**14,450,321**	**7,641,018**
Total Income		**38,403,714**	**21,836,916**
Less: Repair /Maintenance	24.00	6,234,286	3,271,074
Directors Remuneration		744,000	744,000
Salary & Allowance-Head Office		4,013,857	3,128,070
Other Administrative Expense	25.00	17,221,570	10,804,187
Selling & Marketing Expense	26.00	666,005	225,258
Financial Expenses		530,299	-
Depreciation	3.00	2,775,014	2,954,624
Sub Total		**32,185,030**	**21,127,213**
OPERATING PROFIT / (LOSS)		**6,218,683**	**709,703**
Less: Workers Profit participation Fund	16.00	296,128	33,795
Profit / (Loss) after WPPF		**5,922,555**	**675,908**
Less: Income Tax Provision	18.00	1,480,639	450,490
(Tax @ 25% on profit)		**4,441,603**	**225,418**
Deferred Tax		-	-
Profit / (Loss) after Tax		**4,441,603**	**225,418**
Earning Per Share	29.00	**0.91**	**0.05**

The accompanying notes from 01.00 to 35.00 form an integral part of these financial statement.

Managing Director | **Director** | **Company Secretary**

Subject to our separate report of even date.

Dated: Dhaka, October 28, 2018

A. WAHAB & CO. Dhaka Chartered Accountants

(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS

KAY & QUE (BANGLADESH) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2018

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total
Opening Balance as on July 01, 2017	49,025,300		(105,137,742)	(56,112,442)
Net Profit/(Loss) for year 2017-2018 After Tax Provision	-	-	4,441,603	4,441,603
Revaluation Reserve	-	446,661,150		446,661,150
Prior year adjustment	-		(19,687,408)	(19,687,408)
Balance as on June 30, 2018	**49,025,300**	**446,661,150**	**(120,383,547)**	**375,302,903**

Particulars	Share Capital	Revaluation Reserve	Retained Earnings	Total
Opening Balance as on July 01, 2016	49,025,300	-	(105,363,160)	(56,337,860)
Net Profit/(Loss) for year 2016-2017 After Tax Provision	-	-	225,418	225,418
Balance as on June 30, 2017	**49,025,300**	**-**	**(105,137,742)**	**(56,112,442)**

The accompanying notes from 01.00 to 35.00 form an integral part of these financial statement.

Managing Director **Director** **Company Secretary**

Subject to our separate report of even date.

Dated: Dhaka, October 28, 2018

(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS

KAY & QUE (BANGLADESH) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

Particulars	Notes	30-06-2018	30-06-2017
CASH FLOW FROM OPERATING ACTIVITIES:			
Collection from turnover & others		130,183,240	70,206,539
Payment or cost and expenses		(131,560,610)	(72,547,049)
Income Tax paid & Deduction at Sources		(3,978,541)	-
Drawing from working capital loan		11,530,000	-
Net Cash Flow from operating Activities (A)		**6,174,089**	**(2,340,510)**
CASH FLOW FROM INVESTING ACTIVITIES:			
Acquisition of Fixed Assets		(2,882,300)	-
Advance for fixed assets		(1,100,000)	-
Dividend Receipt		1,447,082	1,430,507
Advance for Work & Others		(821,071)	(13,837,739)
Inter Company/unit loans received		7,525,619	27,356,095
Inter Company/unit loans Paid		(7,931,137)	(11,811,010)
Security Deposit		599,473	-
Net Cash Flow from investing Activities (B)		**(3,162,334)**	**3,137,853**
CASH FLOW FROM FINANCING ACTIVITIES:			
Dividend paid		-	-
Lease Finance		-	-
Cash Credit		(2,000,703)	-
Net Cash Flow from financing Activities (C)		**(2,000,703)**	**-**
Net Cash in Flow/((Outflow) for the year (A+B+C)		**1,011,052**	**797,343**
Cash and Bank Balance at Opening		2,592,860	1,795,517
Cash and Bank Balances at Closing	**8.00**	**3,603,912**	**2,592,860**

Net Operating Cash Flow per Share	**30.00**	**1.26**	**(0.48)**

The accompanying notes from 01.00 to 35.00 form an integral part of these financial statement.

Managing Director | **Director** | **Company Secretary**

Subject to our separate report of even date.

Dated: Dhaka, October 28, 2018

A. WAHAB & CO. Dhaka Chartered Accountants

(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS

KAY & QUE (BANGLADESH) LIMITED
NOTES ON ACCOUNTS & OTHER RELEVANT INFORMATION
FOR THE YEAR ENDED JUNE 30, 2018

1.00 COMPANY AND ITS ACTIVITIES:

1.01 Corporate History of the Entity:

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.

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) Ltd. is now operating one C.N.G Unit. Besides that the Company has entered into Land Lease & Rental agreement with CG Foods (BANGLADESH) Ltd. 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, 2018

ii) Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2018

iii) Statement of Changes in Equity for the year ended June 30, 2018

iv) Statement of Cash Flows for the year ended June 30, 2018; and

v) Notes, Comprising Significant Accounting Policies and other Explanatory information to the Accounts.

2.04 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.

Name of the International Accounting Standards (IASs)	IAS No.	Status
Presentation of financial Statement.	1	Applied
Inventories	2	Applied
Statement Cash Flows	7	Applied
Accounting Policies changes in accounting Estimates & Errors.	8	Applied
Events after the Reporting period.	10	Applied
Construction contracts	11	N/A
Income Taxes	12	Applied
Segment Reporting	14	Applied
Property, Plant & Equipment	16	Applied
Leases	17	N/A
Revenue	18	Applied
Employee benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The effects of changes in Foreign exchange rates.	21	Applied
Borrowing cost	23	N/A
Related party disclosures	24	Applied
Accounting for Investments	25	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Consolidated and separate Financial Statements	27	N/A
Investment in associates	28	N/A
Interests in Joint Ventures.	31	N/A
Financial Instrument: Presentation	32	N/A
Earnings per share.	33	Applied
Interim Financial Reporting	34	N/A
Impairment of Assets	36	N/A
Provision contingent liabilities and contingent Assets.	37	Applied
Intangible Assets	38	Applied
Financial Instrument: Recognition and Measurement	39	N/A
Investment Property	40	N/A
Agriculture	41	N/A

PRIMARY STOCK

International Financial Reporting Standards (IFRSs)	IFRS No.	Status
First-time Adoption of International Financial Reporting Standards	1	N/A
Shares Based Payment	2	N/A
Business Combination	3	N/A
Insurance Contracts	4	N/A
Noncurrent Assets Held for Sale and Discontinued Operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instrument: Disclosure	7	N/A
Operating Segments	8	N/A
Consolidated Financial Statements	10	N/A
Joint Arrangements	11	N/A
Disclosures of Interest in Other Entries	12	N/A
Fair Value Measurements	13	N/A

Note: N/A= Not Applied

2.05 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: 27.00

2.06 Reporting Currency:

The Financial Statements are presented in Bangladesh Currency (Taka), which has been rounded off to the nearest Taka. Figures in brackets indicate deductions.

2.07 Industry Segments information:

The Company had four business segments such as Unit-1, Unit-11, Pesticide and C.N.G business. However, the Board of Directors in its Board meeting has decided to close the Unit-1, Unit-11, Pesticide units and the CNG unit has remained as operational unit of the company. The unpurified operational results, Assets & Liabilities of those business segments have been stated in the Statement of Financial Position and Statement of Profit or Loss & Other Comprehensive Income. Separate segment reporting has been shown in the notes only.

2.08 Geographic Segment information:

The company has no office outside Bangladesh. Hence Geographic segment information is not relevant.

2.09 Recognized Gains and Losses:

All gains & losses out of the normal course of company's business have been duly recognized.

2.10 Historical Cost, Profit and Losses:

There was no factor causing difference between historical cost, depreciation, realization of revenue or surplus on retirement or disposal of assets. Accordingly, no separate note of historical cost profits and loss has been presented .

2.11 Revenue Recognition:

Revenue is recognized at the time of delivery of goods.

2.12 Production Efficiency

CNG:

The CNG Unit had operated during the year and achieved approximately 95.50% of the budgeted target.

2.13 Sales:

During the year 2018 only CNG Unit has sales.

2.14 Contribution to National Exchequer:

Company's contribution to National Exchequer in the form of Value Added Tax during the year amount to Tk. Nil.

2.15 Property, Plant & Equipment

a) Property, Plant & Equipment are valued at historical cost less accumulated depreciation. No depreciation is charged on freehold land and flood embarkment, which are stated at cost. Depreciation of Property Plant & Equipment is computed using Reducing Balance Method. The depreciation is not charged in to Unit-1 because production is closure. Unit-II and Pesticide have no Property Plant & Equipment

b) Depreciation :

Rate of charging depreciation is as follows.

Type of Assets	2018	2017
Building and other construction	5% - 10%	5% - 10%
Plant and Machinery	10%	10%
Sundry Assets	10%	10%

2.16 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.

2.17 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.

2.18 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.

2.19 Cash and Bank Balances:

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

2.20 Income Taxes :

Provision for Income Tax has been made at applicable rates as per Income Tax ordinance, 1984.

2.21 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 the 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.

2.22 Provisions :

Provision for expenses has been made following accrual basis of accounting.

2.23 Earnings per Share (EPS) :

a) Basic Earning Per Share:

This has been calculated by dividing the basic earnings by the weighted average number of ordinary share outstanding during the year. The details are shown in Note-29.00.

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.

2.24 Cash Flow Statement :

The Statement of Cash Flows has been prepared according to International Accounting Standards (IAS-7) and has been computed under the direct method.

3.00 Property Plant & Equipment of UNIT- I:

The details break-up is made up as follows:

PARTICULARS	COST				DEPRECIATION					Written down value as on 30-06-2018	Written down value as on 30-06-2017
	Balance as on 01-07-2017	Addition during the year	Revaluation during the year	Balance as on 30-06-2018	Rate	Balance as on 01-07-2017	Adjustment	Charges during the year	Balance as on 01-07-2018		
Land & Land Development											
i) Land	13,845,055		447,554,945	461,400,000		-	-	-	-	461,400,000	13,845,055
ii) Flood Embankment & Road	962,271	-	-	962,271		-	-	-	-	962,271	962,271
Sub-Total	**14,807,326**	**-**	**447,554,945**	**462,362,271**		**-**	-	-	**-**	**462,362,271**	**14,807,326**
Building & Other Construction											
Office Building	3,084,195	-	-	3,084,195	5%	2,026,904		-	2,026,904	1,057,291	1,057,291
Factory Building	2,865,795		(982,421)	1,883,374	5%	1,883,374	-	-	1,883,374	-	982,421
Substation & Generator	1,397,082		(240,654)	1,156,428	5%	940,884	-	-	940,884	215,544	456,198
Boundary, Main Gate & Godown	1,199,229	-	-	1,199,229	10%	948,860	-	-	948,860	250,369	250,369
Sub-Total	**8,546,301**	**-**	**(1,223,075)**	**7,323,226**		**5,800,022**	**-**	**-**	**5,800,022**	**1,523,204**	**2,746,279**
Plant & Machinery											
Electric Equipment	1,786,013		(112,489)	1,673,524	10%	1,223,569	-	-	1,223,569	449,955	562,444
Local Machinery	4,245,095		(140,214)	4,104,881	10%	3,544,027	-	-	3,544,027	560,854	701,068
Sub-Total	**6,031,108**	**-**	**(252,703)**	**5,778,405**		**4,767,596**	**-**	**-**	**4,767,596**	**1,010,809**	**1,263,512**
Total	**29,384,735**	**-**	**446,079,167**	**475,463,902**		**10,567,618**	**-**	**-**	**10,567,618**	**464,896,284**	**18,817,117**

3.00 Property Plant & Equipment of CNG PROJECT:

The details break-up is made up as follows:

PARTICULARS	COST				DEPRECIATION					Written down value as on 30-06-2018	Written down value as on 30-06-2017
	Balance as on 01-07-2017	Addition during the year	Revaluation during the year	Balance as on 30-06-2018	Rate	Balance as on 01-07-2017	Adjustment	Charges during the year	Balance as on 30-06-2018		
Land & Land Development											
i) Land	-	-	-	-		-	-	-	-	-	-
ii) Land dev. & Approch Road	3,456,176	4,800,000	-	8,256,176		-	-	-	-	8,256,176	3,456,176
Sub-Total	**3,456,176**	**4,800,000**	**-**	**8,256,176**		**-**	-	**-**	**-**	**8,256,176**	**3,456,176**
Building & Other Construction											
Building	3,904,549	-	-	3,904,549	5%	1,312,487	-	129,603	1,442,090	2,462,459	2,592,062
Other Construction	458,275	-	-	458,275	5%	154,047	-	15,211	169,258	289,017	304,228
Sub-Total	**4,362,824**	**-**	**-**	**4,362,824**		**1,466,534**	**-**	**144,815**	**1,611,348**	**2,751,476**	**2,896,290**
Plant & Machinery:											
Imported machinery	53,734,515	-	(4,370,946)	49,363,569	10%	30,729,534	-	2,300,498	33,030,032	16,333,537	23,004,981
Local Equipment	2,279,483	1,040,800	(282,912)	3,037,371	10%	790,473	-	252,981	1,043,454	1,993,917	1,489,010
Electric Installation	477,547	-	(39,166)	438,381	10%	271,408	-	20,614	292,022	146,359	206,139
Gas Line installation	875,512	-	(71,806)	803,706	10%	497,586	-	37,793	535,379	268,327	377,926
Sub-Total	**57,367,057**	**1,040,800**	**(4,764,830)**	**53,643,027**		**32,289,002**	**-**	**2,611,886**	**34,900,887**	**18,742,140**	**25,078,055**
Sundry Assets	281,090	41,500	(34,796)	287,794	10%	139,454	-	18,314	157,768	130,026	141,636
Sut-Total	**281,090**	**41,500**	**(34,796)**	**287,794**		**139,454**	**-**	**18,314**	**157,768**	**130,026**	**141,636**
Total	**65,467,147**	**5,882,300**	**(4,799,626)**	**66,549,821**	**-**	**33,894,990**	**-**	**2,775,014**	**36,670,003**	**29,879,818**	**31,572,157**
Grand Total	**94,851,882**	**5,882,300**	**441,279,541**	**542,013,723**	**-**	**44,462,608**	**-**	**2,775,014**	**47,237,621**	**494,776,102**	**50,389,274**

4.00 Investment:

The amount is made up as follows:

Particulars	30-06-2018	30-06-2017
Opening Balance	5,960,505	5,711,820
Add: Revaluation during the year	5,381,609	248,685
Closing Balance	**11,342,114**	**5,960,505**

The details break-up is made up as follows:

Name of Company	Notes	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Central Depository (BD) Ltd.	4.01	10,656,381	-	-	-	10,656,381	5,711,820
Pragati Insurance Ltd.		-	108,173	-	-	108,173	46,705
Southeast Bank Ltd.		-	216,336	-	-	216,336	121,680
Investment in Shares (IPO-GP)		-	-	-	14,000	14,000	14,000
Pragati Life Insurance Ltd.		-	347,224	-	-	347,224	66,300
	Total:	**10,656,381**	**671,733**	**-**	**14,000**	**11,342,114**	**5,960,505**

4.01 This represents the amount invested in ordinary shares of central depository Bangladesh Ltd.

5.00 Inventories:

The details break-up is made up as follows:

Particulars	Notes	Unit-I Value	Unit-II Value	Pesticide Value	CNG Project Value	30-06-2018 Value	30-06-2017 Value
Raw Materials	5.01	-	-	-	-	-	-
Stores & Spares	5.02	-	-	-	2,645,131	2,645,131	1,653,650
Stock of Stone chips	5.03	-	-	-	10,227,121	10,227,121	-
	Total:	**-**	**-**	**-**	**12,872,252**	**12,872,252**	**1,653,650**

5.01 Raw Materials:

The details break-up is made up as follows:

Name of the Item	Unit-I Value	Unit-II Value	Pesticide Value	CNG Project Value	30-06-2018 Value	30-06-2017 Value
Amorphous Graphite	-	-	-	-	-	-
Coal Cokes Powder	-	-	-	-	-	-
Petroleum Coke	-	-	-	-	-	-
Sulphar	-	-	-	-	-	-
Paraffin Wax	-	-	-	-	-	-
Coal Tar & Pitch	-	-	-	-	-	-
Paraffin Oil /Ltr	-	-	-	-	-	-
Hard Coke & others	-	-	-	-	-	-
Total:	**-**	**-**	**-**	**-**	**-**	**-**
Less: Adjustment		-	-	-	-	-
Raw Materials	**-**	**-**	**-**	**-**	**-**	**-**

AMAR STOCK

5.02 Stores & Spares:

The details break-up is made up as follows:

Particulars	Unit-I Value	Unit-II Value	Pesticide Value	CNG Project Value	30-06-2018 Value	30-06-2017 Value
Opening Balance	-	-	-	1,653,650	1,653,650	1,222,037
Add: Purchase during the year	-	-		4,497,722	4,497,722	1,919,604
	-	**-**	**-**	**6,151,372**	**6,151,372**	**3,141,641**
Less: Consumption during the year	-	-	-	3,506,241	3,506,241	1,487,991
Total:	**-**	**-**	**-**	**2,645,131**	**2,645,131**	**1,653,650**
Less: Adjustment	-	-	-	-	-	-
Closing Balance	**-**	**-**	**-**	**2,645,131**	**2,645,131**	**1,653,650**

5.03 Stock of Stone chips:

The details break-up is made up as follows:

Particulars	Unit-I Value	Unit-II Value	Pesticide Value	CNG Project Value	30-06-2018 Value	30-06-2017 Value
Opening Balance	-	-	-	-	-	-
Add: Purchase during the year	-	-	-	10,227,121	10,227,121	-
	-	**-**	**-**	**10,227,121**	**10,227,121**	**-**
Less: Adjustment	-	-	-	-	-	-
Closing Balance	**-**	**-**	**-**	**10,227,121**	**10,227,121**	**-**

6.00 Sundry Debtors:

The details break-up is made up as follows:

Name of debtors	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Chens Crop Science BD Limited	-	-	8,497,283	1,440,000	9,937,283	8,497,283
CG Foods (Bd) Ltd.	-	-	-	22,069,136	22,069,136	4,174,248
Total:	**-**	**-**	**8,497,283**	**23,509,136**	**32,006,419**	**12,671,531**

7.00 Advance & Deposit:

The details break-up is made up as follows:

i)

Advance	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Advance against VAT(against Ins. Premium)	-	-	-	443,518	443,518	443,518
Advance against VAT (Import)	193,470	-	-	-	193,470	193,470
Advance Income Tax(Against Import)	7,743,776	3,074,217	(1,119,454)	-	9,698,539	12,284,843
Advance Income Tax	778,223	-	-	571,182	1,349,405	1,063,814
Tax deduction at sources	7,331,518	-	-	(1,013,802)	6,317,716	7,563,938
Advance against Rent	-	-	-	900,000	900,000	485,000
Advance against Salary	-	-	-	-	-	125,981
Advance against Legal fee	-	-	-	150,000	150,000	-
Advance against Project Devlopment Expense	-	-	-	3,955,955	3,955,955	3,784,884
Sub Total	**16,046,987**	**3,074,217**	**(1,119,454)**	**5,006,853**	**23,008,603**	**25,945,448**

ii) Advance against Land :

Advance agt. Land (Habibur Rahman)	-	10,310,000	-	-	10,310,000	10310000
Advance against Land (Amir Traders)	-	-	-	-	-	3,000,000
Advance against Boundary wall (D.H. Shamim)	-	-	-	7,800,000	7,800,000	6700000
Sub Total	**-**	**10,310,000**	**-**	**7,800,000**	**18,110,000**	**20,010,000**

AMAR STOCK

iii) **Deposit :**

Deposit against VAT	97,180	3,875,802	-	57,589	4,030,571	4,030,571
Security deposit	956,150	-	-	2,429,110	3,385,260	4,831,498
Sub Total	**1,053,330**	**3,875,802**	**-**	**2,486,699**	**7,415,831**	**8,862,069**
Grand Total	**17,100,317**	**17,260,019**	**(1,119,454)**	**15,293,552**	**48,534,434**	**54,817,517**

8.00 **Cash & Bank Balance:**

The details break-up is made up as follows:

Particulars	**Unit-I**	**Unit-II**	**Pesticide**	**CNG Project**	**30-06-2018**	**30-06-2017**
Cash in Hand:						
Head Office	-	-		144,204	144,204	138,290
Factory	702	-	-	1,962,701	1,963,403	1,561,004
Sub Total	**702**	**-**	**-**	**2,106,905**	**2,107,607**	**1,699,294**
Cash at Bank:						
SIBL (STD A/C) Dhamrai-36	-	-	-	1,300,607	1,300,607	368,735
SIBL (Panthapath)	-	-	-	42,677	42,677	59,533
NBL - STD A/C 322	88,559	-	-	-	88,559	87,106
Sonali bank Ltd. Sundry A/C	-	-	-	-	-	332,235
Islami Bank (Bangladesh) Ltd.-578	-	8,887	-	-	8,887	10,359
Bank Asia Ltd.-619	-	32,085	-	-	32,085	33,385
Bank Asia Ltd.-817	-	-		21,277	21,277	-
One Bank Ltd.	-	2,213	-	-	2,213	2,213
Sub Total	**88,559**	**43,185**	**-**	**1,364,561**	**1,496,305**	**893,566**
Total:	**89,261**	**43,185**	**-**	**3,471,466**	**3,603,912**	**2,592,860**

8.01 Cash in hand has been certified by the management.

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

9.00 **Share Capital**

	30-06-2018	**30-06-2017**
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		
4,902,530 Ordinary Shares of Tk. 10 each fully paid	**49,025,300**	**49,025,300**

As on June 30, 2018 shareholding position of the Company was as follows:-

	Number of shares	**Face Value**	**% of Total Holding**
Sponsors/promoters & Directors	1,179,470	11,794,700	25.42
General public & Others Institutions	3,723,060	37,230,600	74.58
	4,902,530	**49,025,300**	**100.00**

Classification of shareholders by holding:

Range of Share holdings	No. of holding	No. of Shares	% of Total holding
001 to 500 shares	1,679	270,501	66.706
501 to 5000 shares	682	1,018,938	27.096
5001 to 10000 shares	74	540,201	2.940
10001 to 20000 shares	47	657,851	1.867
20001 to 30000 shares	12	296,119	0.477
30001 to 40000 shares	2	68,008	0.079
40001 to 50000 shares	8	370,325	0.318
50001 to 100000 shares	4	341,619	0.159
100001 to 1000000 shares	9	1,338,968	0.358
Above 1000000 shares	0	0	0.00
Total:	**2,517**	**4,902,530**	**100**

10.00 **Revaluation Reserve**

Company's Property, Plant & Equipment and Investment as at 31.12.2017 was revalued by M/S Mahfel Huq & Co, Chartered Accountants along with M/S Mridha & Associates Limited, Consulting Engineers Vide their letter dated 21.03.2018 which was approved by the Board of Directors of the company in its 155th Board meeting held on 10.06.2018. Details of Revaluation Reserve are as follows:

a) **Property, Plant & Equipment:**

Particular	Book Value	Revalued Value	Revaluation Reserve/ (Deficit)
Land & Land Development:			
Land	13,845,055	461,400,000	447,554,945
Flood Embankment & Road	962,271	962,271	-
Land Development & Approch Road	5,273,426	5,273,426	-
Building & Other Construction:			
Building	2,527,260	2,527,260	-
Other Construction	296,622	296,622	-
Office Building	1,057,291	1,057,291	-
Factory Building	982,421	-	(982,421)
Substation & Generator	456,198	215,544	(240,654)
Boundary, Main Gate & Godown	250,369	250,369	-
Plant & Machinery:			
Electical Equipment	562,444	449,955	(112,489)
Local Machinery	701,068	560,854	(140,214)
Imported Machinery	21,854,732	17,483,786	(4,370,946)
Local Machinery	1,414,559	1,131,647	(282,912)
Electric Installation	195,832	156,666	(39,166)
Gas Line installation	359,030	287,224	(71,806)
Sundry Assets	173,979	139,183	(34,796)
Sub-total	**50,912,557**	**492,192,098**	**441,279,541**

b) **Investment**

Particular	Book Value	Revalued Value	Revaluation Reserve/ (Deficit)
Investment:			
Central Depository (BD) Ltd.	5,711,820	10,656,381	4,944,561
Pragati Insurance Ltd.	46,705	108,173	61,468
Southest Bank Ltd.	121,680	216,336	94,656
Pragati Life Insurance Ltd.	66,300	347,224	280,924
Investment in Share	14,000	14,000	-
Sub-total	**5,960,505**	**11,342,114**	**5,381,609**
c) **Grand Total**	**56,873,062**	**503,534,212**	**446,661,150**

11.00 Retained Earnings:

The details break-up is made up as follows:

Particulars	Unit-I	Unit-II	Pesticide	CNG(Project)	30-06-2018	30-06-2017
Opening Balance	(117,397,647)	(14,150,144)	7,895,962	18,514,087	(105,137,742)	(105,363,160)
Less : Prior Year Adjustment	(19,687,408)	-	-	-	(19,687,408)	-
	(137,085,055)	**(14,150,144)**	**7,895,962**	**18,514,087**	**(124,825,150)**	**(105,363,160)**
Add: Current Year Profit	1,384	(2,640)	-	4,442,859	4,441,603	225,418
	(137,083,671)	**(14,152,784)**	**7,895,962**	**22,956,946**	**(120,383,547)**	**(105,137,742)**

12.00 Inter Unit Fund:

The details break-up is made up as follows:

Name of the unit	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Inter unit fund (Alkatra)	22,917,237	-	(9,821,859)	(20,152,963)	(7,057,585)	(7,057,585)
Inter unit fund (Carbon rod)	-	(22,917,237)	1,131,273	(34,599,482)	(56,385,446)	(56,717,681)
Inter unit fund (CNG)	34,599,482	20,152,963	(12,464,404)	-	42,288,041	42,620,276
Inter unit fund (Pesticide)	(1,131,273)	9,821,859	-	12,464,404	21,154,990	21,154,990
Total:	**56,385,446**	**7,057,585**	**21,154,990)**	**(42,288,041)**	**-**	**-**

13.00 Creditors for Goods:

The details break-up is made up as follows:

Party	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Trust Truck Engineering	-	-	-	200,000	200,000	200,000
Titas Gas Transmission Co.	-	-	-	10,637,677	10,637,677	7,685,612
Total:	**-**	**-**	**-**	**10,837,677**	**10,837,677**	**7,885,612**

14.00 Short Term Loan

The details break-up is made up as follows:

Nature of Loan	Term Loan
Bank Name	Social Islami Bank Limited
Account No.	0151330016810
LC (Sight)	220.00 lac
LTR	180.00 lac
Baim (com)	100.00 lac
Limit	500.00 lac
Purpose of the facility	Importation of boulder stone from Bhutan
Rate of Interest	13% p. a.
Balance as on 30-06-2018	**Tk. 19,139,699**

15.00 Creditor for expenses:

The details break-up is made up as follows:

Particulars	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Pragati Insurance Ltd.	-	87,922	-	532,556	620,478	572,141
Rural Electrification Board/DPBS	-	-	-	313,251	313,251	79,255
Provision for Gratuity	293,686	-	-	-	293,686	293,686
Provision for P.Fund	2,679,455	-	-	(704,790)	1,974,665	3,979,455
A Wahab & Co./Shiraz Khan Basak & Co.	-	-	-	76,250	76,250	76,250
Bangladesh Association of Publicly Listed Co.	30,000	-	-	-	30,000	30,000
Provision for Salary	-	-	-	661,001	661,001	260,673
Provision for Salary & Wages	-	-	-	296,111	296,111	170,490
Provision for Directors Remuneration	-	-	-	216,900	216,900	274,490
Chittagong Stock Exchange Ltd.	-	77,500	77,500	570,000	725,000	290,000
Dhaka Stock Exchange Ltd.	-	-	-	190,500	190,500	30,000
Pragati life Insurance Co. Ltd.	-	-	-	-	-	246,438
Spectra media Communication	-	-	-	-	-	5,610
System Engineering	-	-	-	-	-	24,157
NAVANA	-	-	-	184,000	184,000	4,000
Bangla Cat	-	-	-	1,412	1,412	43,741
Office rent payable	-	-	-	199,364	199,364	67,700
9th floor rent & other service charges	-	-	-	493,618	493,618	94,819
Bonanza Travels	-	-	-	48,440	48,440	48,440
Senjuti Printers	-	-	-	-	-	2,810
Amin Associates	-	32,801	-	-	32,801	32,801
BD Com Online Ltd.	-	-	-	-	-	5,750
Welfare Fund	-	-	-	-	-	84,729
K Y Steel mills Ltd.	-	-	-	-	-	104,949
CDBL	-			111,903	111,903	-
Share over subscription Money	5,000	-	-	-	5,000	5,000
Stone sales advance	-	-	-	5,377,500	5,377,500	-
Total:	**3,008,141**	**198,223**	**77,500**	**8,568,016**	**11,851,880**	**6,827,384**

16.00 Workers Profit participation Fund:

The details break-up is made up as follows:

Particulars	Unit-I	Unit-I1	Pesticide	CNG Project	30-06-2018	30-06-2017
Opening Balance	17,373	350,602	919,552	1,893,391	3,180,918	3,147,123
Add: Provision During the year	69	(132)	-	296,191	296,128	33,795
	17,442	**350,470**	**919,552**	**2,189,582**	**3,477,046**	**3,180,918**
Less: Paid during the year	-	-	-	-	-	-
Closing Balance	**17,442**	**350,470**	**919,552**	**2,189,582**	**3,477,046**	**3,180,918**

17.00 Unpaid Dividend:

The details break-up is made up as follows:

Particulars	Unit-I	Unit-I1	Pesticide	CNG Project	30-06-2018	30-06-2017
Total:	**6,337,374**	**1,364,756**	**906,076**	**-**	**8,608,206**	**8,608,206**

18.00 Income Tax Provision:

The details break-up is made up as follows:

Particulars	Unit-I	Unit-I1	Pesticide	CNG Project	30-06-2018	30-06-2017
Balance relating to 2005 (Assessment year 2006-07)	-	-	-	-	-	-
Balance relating to 2006 (Assessment year 2007-08)	-	-	-	-	-	340,032
Balance relating to 2007 (Assessment year 2008-09)	1,326,595	101,066	-	-	1,427,661	240,049
Balance relating to 2008 (Assessment year 2009-10)	-	-	-	-	-	660,024
Balance relating to 2009 (Assessment year 2010-11)	-	-	-	-	-	151,666
Balance relating to 2010 (Assessment year 2011-12)	-	-	-	-	-	(1,124,198)
Balance relating to 2012 (Assessment year 2013-14)	6,898,751	861,264	417,680	(3,692,950)	4,484,745	(524,242)
Balance relating to 2013 (Assessment year 2014-15)	1,860,915	63,607	18,798	367,419	2,310,740	694,916
Balance relating to 2014 (Assessment year 2015-16)	3,022,377	-	16,382	421,406	3,460,165	503,698
Balance relating to 2015 (Assessment year 2016-17 part)	2,391,476	-	5,760	305,480	2,702,716	313,170
Balance relating to 2015 (Assessment year 2016-17 part)	2,016,129	-	-	317,085	2,333,214	317085
Balance relating to 2016 (Assessment year 2016-17)	-	-	-	358,225	358,225	358,225
Balance relating to 2017 (Assessment year 2017-18)	-	-	-	450,490	450,490	450,490
Balance relating to 2018 (Assessment year 2018-19)	-	-	-	1,480,639	1,480,639	-
Total:	**17,516,243**	**1,025,937**	**458,620**	**7,794**	**19,008,594**	**2,380,915**

19.00 Others/Associates Loan:

The details break-up is made up as follows:

a) Associates Loan:

This is made up as under:

Particulars	Unit-I	Unit-II	Pesticide	CNG	30-06-2018	30-06-2017
Dulamia Cotton Spinning Mills Ltd.	5,136,613	1,142,648	207,389	(2,030,736)	4,455,914	5,207,898
A&A Investment Ltd.	7,178,636	4,026,567	-	1,984,340	13,189,543	12,539,543
NFM Ltd.	8,139,289	4,534,139	3,425,000	10,157,678	26,256,106	26,256,106
Multimode Ltd.	(200,000)	-	-	(4,223,138)	(4,423,138)	(4,423,138)
North South Seeds Ltd.	2,615,775	95,790	3,033,655	15,813,555	21,558,775	19,033,156
Lal Teer Beej Co Ltd	400,000	-	-	-	400,000	400,000
Lal Teer Seed Ltd.	15,800,000	4,335,000	-	26,597,006	46,732,006	45,732,006
Joongbo Multimode Chemical Ltd.	264,854	-	-	-	264,854	264,854
Proton Service centre ltd.	(1,956)	-	-	9,366,755	9,364,799	9,470,194
MTCL (Auto)	919,942	1,000,000	2,700,000	(668,648)	3,951,294	3,979,942
Lal Teer Devlopement Ltd.	-	-	-	(856,800)	(856,800)	-
Lal Teer Live Stock	-	-	-	7,395,000	7,395,000	7,395,000
Aryans Fashion	-	-	-	(386,750)	(386,750)	(386,750)
Chens Crop Science BD Limited	-	-	-	(500,000)	(500,000)	(500,000)
Adinject Inc	-	-	-	(234,583)	(234,583)	-
Sub total:	**40,253,153**	**15,134,144**	**9,366,044**	**62,413,679**	**127,167,020**	**124,968,811**

Details are shown in note 7.00.

b) **Directors Loan:**

Particulars	Unit-I	Unit-II	Pesticide	CNG	30-06-2018	30-06-2017
Mr AAM	1000000	-	-	(293,000)	707,000	707,000
Mr. Tabith M Awal	4827586.57	5,049,558	8,349,065	(356,715)	17,869,494	20,473,221
Mr. Tafsir M Awal	2698500	1,400,000	400,000	4,229,713	8,728,213	8,728,213
Sub total:	8526086.57	**6,449,558**	**8,749,065**	**3,579,998**	**27,304,707**	**29,908,434**
Total (a + b)	48779239.6	**21,583,702**	**18,115,109**	**65,993,677**	**154,471,727**	**154,877,245**

Details are shown in note 27.00.

20.00 Sales:

The details break-up is made up as follows:

Particulars	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Sales:						
Gas Sales (CNG)	-	-	-	124,723,040	124,723,040	67,440,608
Grand Total:	**-**	**-**	**-**	**124,723,040**	**124,723,040**	**67,440,608**

21.00 Cost of Goods Sold:

The details break-up is made up as follows:

Particulars	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Gas consumption (Compressore)	-	-	-	100,769,647	100,769,647	53,244,710
Add: Opening stock of finished good	-	-	-	-	-	
	-	**-**	**-**	**100,769,647**	**100,769,647**	**53,244,710**
Less: Closing stock of finished good	-	-	-	-	-	
Cost of Goods Sold Total:	**-**	**-**	**-**	**100,769,647**	**100,769,647**	**53,244,710**

22.00 Dividend Income:

Particulars	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Central Depository Bangladesh Limited	-	-	-	1,427,955	1,427,955	1,427,955
Pragati Insurance Limited	-	-	-	2,566	2,566	2,552
Southeast Bank Limited	-	-	-	16,562	16,562	-
Total:	**-**	**-**	**-**	**1,447,082**	**1,447,082**	**1,430,507**

23.00 Rental & Other Income:

Particulars	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Rental Income	-	-	-	12,916,980	12,916,980	5,745,760
Other/ Misc. Income	-	-	-	86,259	86,259	464,751
Total:	**-**	**-**	**-**	**13,003,239**	**13,003,239**	**6,210,511**

24.00 Repair/ Maintenance & Generator gas bill:

The details break-up is made up as follows:

Particulars	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Gas Bill (Generator)	-	-	-	2,202,554	2,202,554	1,363,642
Service Charge /repair/ spare parts (Machinery)	-	-	-	3,443,413	3,443,413	1,660,127
Fuel & Lubricant	-	-	-	588,319	588,319	247,305
Total:	**-**	**-**	**-**	**6,234,286**	**6,234,286**	**3,271,074**

25.00 Other Administrative Expenses:

The details break-up is made up as follows:

Particulars	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Electricity Bill (H/Tower)	-	-	-	465,169	465,169	958,598
Gas bill Unit (Generator)	-	-	-	2,202,554	2,202,554	1,363,641
Salaries & Wages-Factory	-	-	-	4,191,229	4,191,229	3,372,913
Bonus				549,183	549,183	-
Gas generator spare & store/Factory	-	-	-	1,345,602	1,345,602	1,051,360
Insurance Premium	-	-	-	687,774	687,774	616,670
Indirect Materials	-	-	-	53,245	53,245	60,088
Overtime & Holiday bill	-	-	-	390,817	390,817	201,287
Legal & Professional Fees	-	-	-	106,500	106,500	195,000
Printing & Stationery	-	-	-	162,190	162,190	89,210
Postage & Telephone	-	-	-	22,820	22,820	13,346
Travelling & conveyance	-	-	-	321,024	321,024	194,542
Director Tour/Travelling	-	-	-	316,668	316,668	-
Entertainment	-	-	-	310,668	310,668	264,679
Books & Periodicals	-	-	-	-	-	8,731
Bank Charge (TT Charge)	1,606	2,772	-	15,196	19,574	26,136
Office rent	-	-	-	1,773,024	1,773,024	580,140
Staff Welfare	-	-	-	36,204	36,204	45,680
Income Tax Expenses	-	-	-	-	-	138,410
Audit Fee	-	-	-	86,250	86,250	76,250
Board Meeting Exp.	-	-	-	231,371	231,371	245,710
AGM Expenses	-	-	-	19,490	19,490	223,558
Corporate Expenses	-	-	-	1,379,674	1,379,674	66,263
Licence & Registration	-	-	-	364,300	364,300	146,415
Photocopy	-	-	-	-	-	3,210
Membership fee	-	-	-	101,700	101,700	9,850
Annual listing fee	-	-	-	683,000	683,000	19,700
Annual report printing	-	-	-	127,788	127,788	-
Labour bill	-	-	-	4,230	4,230	-
Depository connecting fee (CDBL)	-	-	-	111,903	111,903	111,903
9th floor rent	-	-	-	223,344	223,344	82,834
9th floor security bill	-	-	-	200,483	200,483	46,396
9th floor electricity bill	-	-	-	132,757	132,757	31,800
9th floor Gen. & other	-	-	-	31,769	31,769	13,356
BG Commission	-	-	-	277,102	277,102	229,633
Municipal Tax	-	-	-	-	-	148,540
Repair & Maint. (Office)	-	-	-	184,529	184,529	100,338
Subscription/Donation	-	-	-	107,636	107,636	68,000
Total:	**1,606**	**2,772**	**-**	**17,217,193**	**17,221,570**	**10,804,187**

26.00 Selling & Marketing Expenses:

The details break-up is made up as follows:

Particulars	Unit-I	Unit-II	Pesticide	CNG Project	30-06-2018	30-06-2017
Advertisement	-	-	-	284,782	284,782	176,369
Sales promotion	-	-	-	381,223	381,223	48,889
Total:	**-**	**-**	**-**	**666,005**	**666,005**	**225,258**

27. 00 Related Party Transaction

Opening Balance				Received				Payment				Closing Balance				
Unit-I	Unit-II	Pesticide	CNG	Unit-I	Unit-II	Pesticide	CNG	Unit-I	Unit-II	Pesticide	CNG	Unit-I	Unit-II	Pesticide	CNG	Total
5,136,613	1,142,648	207,389	(1,278,752)	-	-	-	100,000	-	-	-	851,984	5,136,613	1,142,648	207,389	(2,030,736)	4,455,914
7,178,636	4,026,567	-	1,334,340	-	-	-	700,000	-	-	-	50,000	7,178,636	4,026,567	-	1,984,340	13,189,543
8,139,289	4,534,139	3,425,000	10,157,678		-	-	-	-	-	-	-	8,139,289	4,534,139	3,425,000	10,157,678	26,256,106
(200,000)	-	-	(4,223,138)	-	-	-	-	-	-	-	-	(200,000)	-	-	(4,223,138)	(4,423,138)
2,615,775	95,790	3,033,655	13,287,936	-	-	-	3,725,619	-	-	-	1,200,000	2,615,775	95,790	3,033,655	15,813,555	21,558,775
400,000	-	-	-	-	-	-	-	-	-	-	-	400,000	-	-	-	400,000
15,800,000	4,335,000	-	25,597,006	-	-	-	3,000,000	-	-	-	2,000,000	15,800,000	4,335,000	-	26,597,006	46,732,006
-	-	-	7,395,000	-	-	-		-	-	-		-	-	-	7,395,000	7,395,000
											856,800				(856,800)	(856,800)
-	-	-	(386,750)	-	-	-	-	-	-	-		-	-	-	(386,750)	(386,750)
264,854	-	-	-	-	-	-	-	-	-	-	-	264,854	-	-	-	264,854
(1,956)	-	-	9,472,150		-	-	-	-	-	-	105,395	(1,956)	-	-	9,366,755	9,364,799
919,942	1,000,000	2,700,000	(640,000)	-	-	-	-	-	-	-	28,648	919,942	1,000,000	2,700,000	(668,648)	3,951,294
-	-	-	(500,000)	-	-	-	-	-	-	-	-	-	-	-	(500,000)	(500,000)
-	-	-	-								234,583				(234,583)	(234,583)
40,253,153	15,134,144	9,366,044	60,215,470	-	-	-	7,525,619	-	-	-	5,327,410	40,253,153	15,134,144	9,366,044	62,413,679	127,167,020
1,000,000	-	-	(293,000)	-	-	-	-	-	-	-		1,000,000	-	-	(293,000)	707,000
4,827,586	5,049,559	8,349,065	2,247,011	-	-	-	-	-	-	-	2,603,727	4,827,586	5,049,559	8,349,065	(356,716)	17,869,494
2,698,500	1,400,000	400,000	4,229,713	-	-	-	-	-	-	-	-	2,698,500	1,400,000	400,000	4,229,713	8,728,213
8,526,086	6,449,559	8,749,065	6,183,724	-	-	-	-	-	-	-	2,603,727	8,526,086	6,449,559	8,749,065	3,579,997	27,304,707
48,779,239	21,583,703	18,115,109	66,399,194	-	-	-	7,525,619	-	-	-	7,931,137	48,779,239	21,583,703	18,115,109	65,993,676	154,471,727

28.00 Net Assets Value Per Share:

Share Holder Equity	375,302,903
Weighted average number of ordinary shares	4,902,530
	76.55

29.00 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 June 30, 2018	4,902,530
Total:	**4,902,530**

	30.06.2018
Net Profit/(Loss) after Tax	4,441,603
Weighted average number of ordinary shares	4,902,530
Face value per share	10
Earning per share	**0.91**

30.00 Net Operating Cash Flow per Share:

Net Cash Flow from operating Activities	6,174,089
Weighted average number of ordinary shares	4,902,530
	1.26

31.00 Payment of remuneration and perquisites to Directors and Officers

The agreegate 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	744,000	-
Managerial Remuneration	-	545,105
Company's Contribution to Provident Fund	-	40,883
Bonus	-	90,975
Perquisites:		
House rent	-	81,766
Conveyance Allowances	-	69,664
Total:	**744,000**	**828,393**

Managing Director's Salary is for the whole year.The company spent Tk. 9,181,290 for its emplyees during the year.

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

31.02 During the year all of the employees have been drawn above Tk. 36,000 as salary for the whole year.

32.00 Foreign Investors:

As of the date of Statement of Financial Position there was no non-resident share holders.

33.00 Liabilities of contingent and other nature:

33.01 There exists no liability of contingent nature as on June 30, 2018.

33.02 There was no claim against the company not acknowledged as debt.

34.00 Capital Expenditure:

During the year there is no capital expenditure commitment.

35.00 Post Balance Sheet Events:

No circumstances have been arisen since the Statement of Financial Position date and the date of authorization of this financial statements which would require adjustment or disclosure to the financial statements or notes thereto except the following.

The Board of Directors in its meeting held on 23rd October 2018 has recommended cash Dividend @ 5% per share for the year 2017-2018 which is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company.

Director | **Managing Director** | **Company Secretary**

Dated: Dhaka, October 28, 2018

A.WAHAB & CO. Chartered Accountants Dhaka

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF KAY & QUE (BANGLADESH) LIMITED

We have audited the accompanying Statement of Financial Position of KAY & QUE (BANGLADESH) LIMITED as of June 30, 2018 and the related Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Notes on financial statement for the year then ended.

Management's responsibility for the financial statements:
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expression an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion:
In our opinion, the financial statements prepared in accordance with applicable Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the Company's affairs as of June 30, 2018 and of the results of its operations and its Cash Flows for the period then ended and comply with the Companies Act, 1994, and other applicable laws and regulations.

We report that:

a) 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;

b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;

c) The company's Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity dealt with by the report are in agreement with the books of accounts; and

d) The expenditure incurred was for the purposes of the company's business.

A Wahab & Co.

Dated: Dhaka, October 28, 2018

(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS



Kay & Que (Bangladesh) Limited

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

Proxy Form

I/We.....of .....
..... being Member of Kay & Que (Bangladesh) Limited do hereby appoint Mr./Ms. ..... of.....
.....as my/our PROXY to attend and vote on my/our behalf at the 34th Annual General Meeting of the Company to be held at 10.00 am on Sunday, December 09, 2018 at Sundarban Hotel, 112, Bir Uttam C.R. Dutta Road, Dhaka-1205 and at any adjournment thereof.

Signed this.....day of .....2018.

Signature of the Member (s)

Signature of the PROXY

Number of Shares held :..... Shares

BO ID / Folio No																

Revenue Stamp Tk. 20

Notes:

- The Proxy Form, duly filled and stamped, must be deposited at the Company's Registered Office not later than 72 hours before commencement of the AGM.
- Signature of the Member(s) must be in accordance with the Specimen Signature recorded with the Company.

Signature Verified by

Authorised Signatory of the Company

Kay & Que (Bangladesh) Limited

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

Attendance Slip

I/We do hereby record my/our attendance at the 34th Annual General Meeting of the Company being held at 10:00 am on Sunday, December 09, 2018 at Sundarban Hotel, 112, Bir Uttam C.R. Dutta Road, Dhaka-1205.

Name of the Member/ Proxy (in Block Letter)																
BO/ Folio No.																

Signature Verified by

Signature of the Member/Proxy

Authorised Signatory of the Company

Note: Please present this Attendance Slip at the registration counter on the AGM date.

AMAR STOCK

AMAR STOCK



Anchor Tower
108, Bir Uttam C. R. Datta Road, Dhaka-1205, Bangladesh
Tel : 58610012-8, Fax : +88 02 9662734, e-mail : info@multimodebd.com

AMAR STOCK