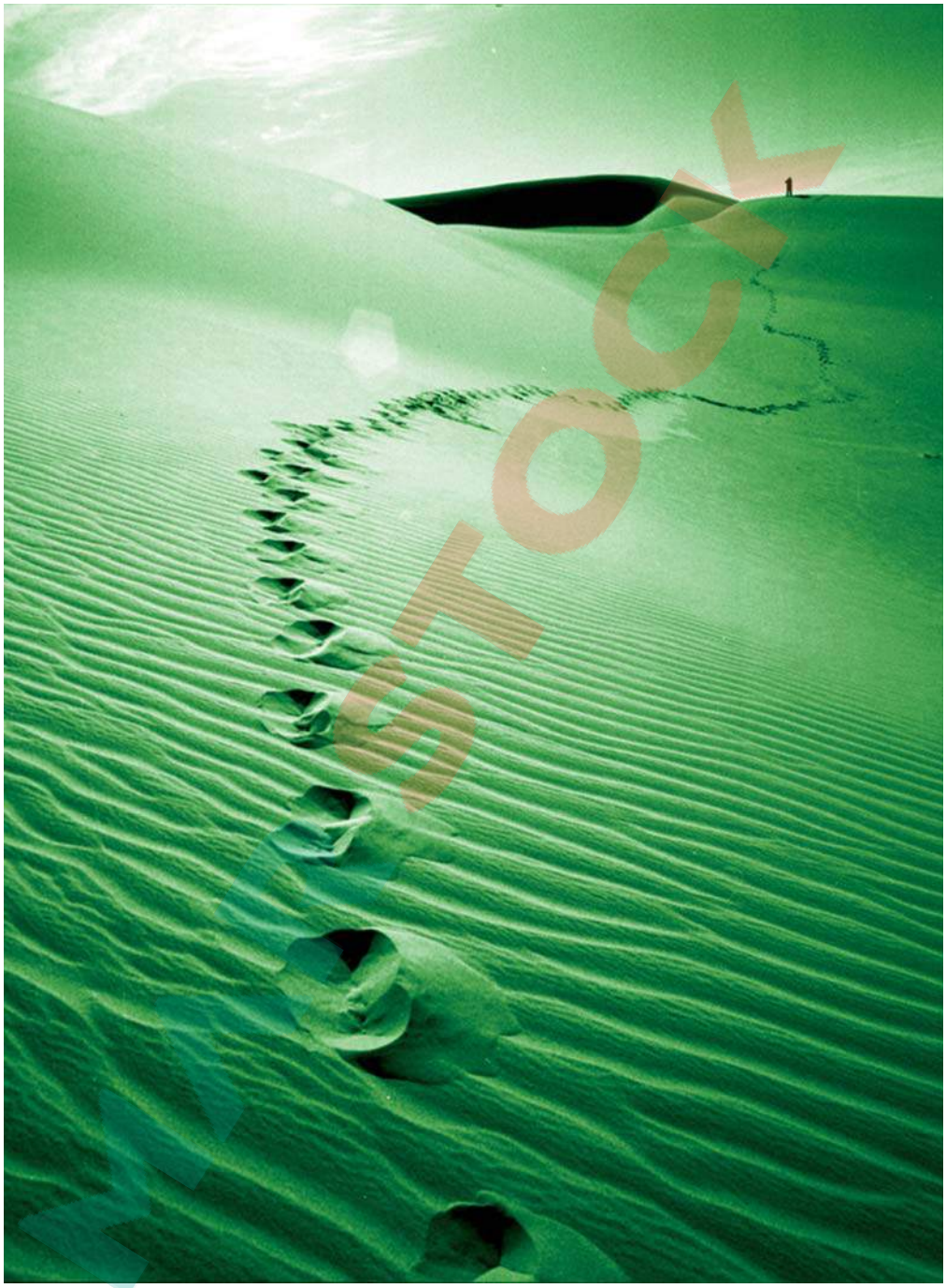
Keya



Annual Report
2016-17

UKAS QUALITY MANAGEMENT 063

CERTIFICATION INTERNATIONAL ISO 9001:2000 Cert No: CI/8402

an ISO certified company

Keya Cosmetics Ltd.

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Our Vision

To be a global leader in the chosen areas of business and create opportunities for the development of mankind that leads to economic growth with moral gains.

Our Mission

- To provide superior value by offering quality products and services.
- To continue divers method of empowerment to develop skilled human resources.
- To establish high tec environment for inspiring new innovation.
- To maintain highest level of morality and integrity.
- To develop the best way of ensuring customer satisfaction.
- We are committed to serve our best towards the stakeholders.



Our Values

- Commitment
- Team work
- Efficency
- Integrity
- Consistency
- Accountability.

Letter of Transmittal

December 06, 2017

The
All Shareholders
Securities & Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

Subject: Annual Report for the year ended June 30, 2017.

Dear Sir(s)/Madam(s),

We are pleased to enclose a copy of the Annual Report together with the Audited Statement of Financial Position including Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended June 30, 2017 along with notes thereon for your record.

Yours sincerely



Md. Noor Hossain
Company Secretary

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Keya Cosmetics Ltd.

Notice of the 21st Annual General Meeting

Notice is hereby given that the 21st Annual General Meeting of the Keya Cosmetics Ltd. will be held on Thursday, 28 December, 2017 at 11:00 a.m. at the our registered office and factory premises at Jarun, Konabari, Gazipur to transact the following business:

Special Business :

Agenda-7 : To Increase of Authorized Share Capital of Keya Cosmetics Limited from Tk.1,000 crore to Tk.1,500 crore and to amend the Clause-V (Uma) of the Memorandum of Association and Clause-5 of the Articles of Association;

Ordinary Business

Agenda-1 : To receive, consider and adopt the Audited Financial Statements for the year ended June 30, 2017 together with the Reports of the Directors' and the Auditors thereon;

Agenda-2 : To declare final dividend for the year ended June 30, 2017 as recommended by the Board of Directors;

Agenda-3 : To elect/re-elect the Directors in terms of the relevant provision of Articles of Association of the Company;

Agenda-4 : To re-appointment of the Independent Director;

Agenda-5 : To appoint Auditor of the Company and to fix their remuneration;

Agenda-6 : To transact any other business with the permission of the Chair.

By order of the Board of Directors

Dated : 06 December, 2017

(Md. Noor Hossain)
Company Secretary

Notes:

- The Board of Directors recommended for payment of 20% Stock Dividend on all existing ordinary shareholders of the general public and sponsors group for the year ended 30th June, 2017.
- The Record Date of the company is 28th November 2017. Trading of the company's shares in the stock exchanges will remain suspend on the Record Date. Members, whose names will appear at the close of business on the Record Date, will be eligible to entitle Dividend, attend the 21st Annual General Meeting and vote thereat;
- Any member of the company entitled to attend and vote at the Annual General Meeting may appoint any person, as his/her Proxy to attend and vote on his/her behalf. A Member being a corporation or company may appoint its representative duly appointed and authorized to attend and vote on its behalf. The proxy form or power of attorney or letter of authority, as the case may be duly signed and revenue stamp of Tk.20.00 must be submitted at the Registered Office of the Company at least 48 hours before the time fixed for the meeting;
- Admission to the meeting place will be strictly on production of the attendance slip sent with the Notice as well as verification of signature of Member(s) and/or Proxy holder;
- If any shareholder failed to receive Annual Report 2016-17 of the Company which has sent through courier is advised to collect the same from Share Division situated at Navana Tower, (14th Floor), 45 South Gulshan Avenue, Gulshan-1, Dhaka-1212. No claim for Annual Report or attendance slip will be entertained at the time of Annual General Meeting.
- Please reach our website at www.keyagroupbd.com to have Annual Report for 2016-2017.

"বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর সার্কুলার নং SEC/CMRRCD/2009-193/154 dated 24/10/2013 এর বিধি মোতাবেক আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/খাবার/যাতায়াত ভাড়া প্রদানের ব্যবস্থা থাকিবে না"

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Corporate Milestones

Company Name	:	Keya Cosmetics Ltd.
Company Registration No.	:	C-3092 (53)/96
Date of Incorporated as a Private Ltd. Company	:	July 14, 1996
Commercial Production started in the year	:	March 05, 1997
Converted into Public Ltd. Company in the year	:	May 07, 1999
Present Status	:	Public Limited Company
Initial Public Offering (IPO)	:	2001
Listing with Dhaka and Chittagong Stock Exchanges	:	2001
Won the National Export Trophy for exporting cosmetics	:	2002-03, 2003-04 & 2004-05.
1st Amalgamation with our two companies (Keya Detergents Ltd. & Keya Soap Chemicals Ltd.) w.e.f	:	30th June, 2011
2nd Amalgamation with our three companies (Keya Spinning Mills Ltd., Keya Cotton Mills Ltd. & Keya Knit Composite Ltd.) w.e.f	:	28th February, 2015
Authorized Capital	:	TK.1000,00,00,000
Number of Shares	:	83,50,88,883
Paid-up Capital	:	Tk. 835,08,88,830
Turnover	:	Tk. 10,406,605,367 (as on 30.06.2017)
Business Lines :		
• Cosmetics Division	:	Manufacturing and Selling of Cosmetics & Toiletries Finished Products, Detergent Powder and Soap Noodles Products.
• Cotton Division	:	Manufacturing and Selling of Yarn export & import
• Spinning Division	:	Manufacturing and Selling of Yarn & Yarn Rotor export & import
• Knit Composite Division	:	100% Export Oriented Readymade Garments Manufacturing Industries.
Export Outlets	:	India, Bhutan, Qatar, West Africa, North Korea, Kuwait, Kingdom of Saudi Arabia, Belgium, German, Spain, France, Italy, UK and many other Countries of USA and Europe.
Associate Company	:	Keya Sweaters Ltd., Keya Yarn Mills Limited.

Corporate Office :
Navana Tower,
45, South Gulshan Avenue,
(14th Floor), Gulshan-1, Dhaka-1212.
Ph: +880-2-9897651, 9897734, 9899326
Fax: +880-2-8831032
Website : www.keyagroupbd.com
E-mail: keyacosmetics@keya-bd.com

Registered Office & Factory :
Jarun, Konabari, Gazipur.
Ph: +880-2-9297779, 9297766, 9297029
Fax: + 880-2-9297778
Website : www.keyagroupbd.com
E-mail : kgroup@keya-bd.com

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Management Apparatus

Board of Directors :

Mr. Abdul Khaleque Pathan	Chairman
Mrs. Khaleda Pervin	Managing Director
Ms. Tansin Keya	Director
Mr. Masum Pathan	Director (Representative)
Mr. Md. Faizuddin	Independent Director

CFO & Company Secretary

Mr. Shaikh Ashafuzzaman FCA	Chief Financial Officer
Mr. Homaun Kabir FCA	Chief Financial Officer
Mr. Md. Noor Hossain	Company Secretary

Auditor :

M/S. ARTISAN
Chartered Accountants

Audit Committee :

Mr. Md. Faizuddin	Chairman
Mrs. Khaleda Pervin	Member
Mr. Masum Pathan	Member
Mr. M. Miraz Hossain	Member
Mr. Homaun Kabir FCA	Member Secretary

Legal Advisor

Chowdhury & Associates

Management Committee

Mr. Abdul Khaleque Pathan	Chairman
Mrs. Khaleda Pervin	Managing Director
Mr. Masum Pathan	Director
Mr. Alhaj Akkas Ali Pathan	Sr. Executive Director
Mr. M. Miraz Hossain	Controller of Audit
Mr. Shaikh Ashafuzzaman FCA	CFO
Mr. Homaun Kabir FCA	CFO
Mr. A. K. Azad	General Manager (Merchandising)
Mrs. Soniya Ferdousi	General Manager (Supply Chain)
Mr. Md. Noor Hossain	Company Secretary

Insurance

Asia Insurance Ltd.

Share & Corporate Affairs

Md. Noor Hossain	Company Secretary
Md. Shamim Uddin	Officer (Corporate Affairs)

Banks

Southeast Bank Ltd.
The Premier Bank Ltd.
Standard Bank Ltd.
Sonali Bank Ltd.
Bank Asia Limited
Pubali Bank Limited
National Bank Limited

Operational Management Team

Mr. Shaikh Ashafuzzaman, FCA	Chief Financial Officer	Accounts
Mr. Homaun Kabir FCA	Chief Financial Officer	Accounts
Mr. Mizanur Rahman Maju	Sr. General Manager	Production (Spinning)
Mr. A. K. Azad	General Manager	Merchandising & Production
Mrs. Soniya Ferdousi	General Manager	Supply Chain
Mr. Parimal Kumar Pramanik	General Manager	Production (Cosmetics)
Mr. Md. Khabir Ahamed Khan	General Manager	Marketing & Sales (Spinning & Cotton)
Mr. Md. Delowar Hossain	DGM	Production (Knitting)
Mr. Shahinur Rahman	AGM	Marketing & Sales (Cosmetics)

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Board of Directors



Abdul Khaleque Pathan
Chairman



Mrs. Khaleda Pervin
Managing Director



Masum Pathan
Director



Ms. Tansin Keya
Director



Md. Faizuddin
Independent Director

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KEYA COSMETICS LIMITED

Factory View



Cosmetics Division

Spinning Division





Cotton Division

Knit Composite Division



Products Overview:

Keya Cosmetics Limited a reputed name in the Cosmetics & Toiletries Products Manufacturing & Selling Sector in the Country. We started our business in the year 1996 as a Private Ltd. Company and soon grew into prominence by the virtue of our distinguished quality products and customer friendly approaches. Keeping all our efforts concentrated upon product development, quality control and standardization, we nurture a philosophy of continuous improvement at our unit. All our products are derived through rigorous research and each of them is incorporated with globally recognized quality norms. That's why, clients from all over the world rely upon as a brand synonymous to trust, reliability and innovative products. Products overview are presenting below:

Existing Products:

1. Keya Super Beauty Soap:



Weight Size	:	125gm, 100gm, 75gm, 50gm, 35gm & 25gm
Color	:	Pink, White, Green
Ingredients	:	Sodium Palmitate, Sodium Palm Kernelate or Cocoate, Cocola Butter, Aqua, Perfume, EDTA, HEDP, Glycerin, Colour & C.I 77891
Export Country	:	India, Bhutan & Kingdom of Saudi Arabia

2. Keya Super Lemon Soap:



Weight Size	:	125gm, 100gm, 75gm, 50gm, 35gm & 25gm
Color	:	Yellow
Ingredients	:	Sodium Palmitate, Sodium Palm Kernelate or Cocoate, Cocoa Butter, Aqua, Perfume, EDTA, HEDP, Glycerin, C.I 77891, C.I 74260, C.I 45100 & C.I 11680
Export Country	:	India, Bhutan & Kingdom of Saudi Arabia

3. Life Guard Soap:



Weight Size	:	100 gm
Color	:	Red
Ingredients	:	Sodium Palmitate, Sodium Palm Kernelate or Cocoate, Aqua, Perfume, EDTA, HEDP, Glycerin, TCC, C.I 77891, C.I 11680 & C.I 26100
Export Country	:	India & Bhutan

4. Keya Glycerin Laundry Soap:



Weight Size	:	145gm, 130 gm
Color	:	Green & Yellow
Ingredients	:	Sodium Palmitate, Sodium Palm, Kernelate or Cocoate, Perfume, Glycerin & Colour
Export Country	:	Bhutan

5. Keya 777 Laundry Soap:



Weight Size : 130 gm
Color : Red
Ingredients : Soap Noodles Perfume fitness Knawax Red Thx
Export Country : India, Bhutan

6. Keya Ball Soap:



Weight Size : 130 gm
Color : White
Ingredients : Sodium Palmitate, Sodium Palm Kernelate or Cocoate, Perfume, Glycerin
Export Country : India, Bhutan

7.Keya Prickly Heat Powder:



Weight Size : 100 gm
Color : White
Ingredients : Purified Talc, Calcium Carbonate, Magnesium Carbonate, Menthol, Perfume, Boric Acid & Irgasan DP-300

8. Keya Ice Magic Body Cooler Powder:



Weight Size : 100 gm
Color : White
Ingredients : Perfumed Talc, Magnesium Carbonate, Menthol, Perfume & Boric Acid

9. Keya Natural Care Shampoo :



Weight Size : 100ml, 25ml, 7ml & 3.5ml
Color : Black
Ingredients : SLES, Cocamide DEA, Dimethicone Emulsion, D-panthenol, Tetra sodum EDTA, Sun Flower Exract, Amla Extract, Color, Perfume & Aqua

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10. Keya Dandruff Control Shampoo :



Weight Size : 100 ml & 5ml
Color : Sky Blue
Ingredients : SLES, Cocamide DEA, Dimethicone Emulsion, D-panthenol, Tetra sodum EDTA, Zinc pyrithione, Color, Perfume & Aqua

11. Keya Active Tooth Paste :



Weight Size : 200 gm, 100 gm & 45 gm
Color : White
Ingredients : PPT Calcium Carbonate, Sorbitol, SMFP, Synthetic Silica, Sodium Saccharine, SLS, Triclosan, Flavour & Aqua

12. Keya Super Saloon Lather Shaving Cream :



Weight Size : 100 gm
Color : White
Ingredients : Stearic Acid, Coconut Oil, Glycerine, Potassium Hydroxide, Perfume & Empicol

13. Keya Lather Shaving Cream :



Weight Size : 50 gm
Color : White
Ingredients : Stearic acid, Coconut Oil, Glycerin, Boric Acid, Potassium hydroxide, Perfume & Empicol

14. Keya Petroleum Jelly :



Weight Size : 50 ml & 15 ml
Color : White
Ingredients : Liquid Paraffin, White Petroleum Jelly & Perfume

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15. Keya Chapstick



Weight : 4.8gm.
Color : Strawbery, Lemon & Orange
Ingredients : Paraffinum liquidum, Petrolatum, Ceresin, Beeswax, Octinoxate, Flavor, Methyl Paraben, Tocopherol.

16. Keya Lip-gel :



Weight Size : 10gm & 6gm
Color : Pink
Ingredients : Liquid Paraffin, White Petroleum Jelly & Perfume

17. Keya Glycerin :



Weight Size : 125ml & 60ml
Color : Natural
Ingredients : Refined Glycerine

18. Keya Hotel Soap :



Weight Size : 25gm
Color : White & Yellow
Ingredients : Sodium Palmitate, Sodium Palm Kernelate or Cocoate, Cocoa Butter, Aqua, Perfume, EDTA, HEDP, Glycerin, C.I 77891, C.I 74260, C.I 45100

19. Keya Lemon Detergent Powder :



Weight : 1000gm, 500gm, 200gm & 30gm.
Ingredients : Sodium LAS, Sodium Carbonate, Calcium Carbonate, Perfume & Colour.
Export Country : India.

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20. Keya White Plus Detergent Powder :



Weight	:	500 gm, 200gm & 22gm.
Ingredients	:	Sodium LAS, Sodium Carbonate, Geolite, Tinapol CBS-X, SCMC, Colored Bentonite, Perfume, Aqua.
Export Country	:	India.

21. Keya Super Excel Detergent Powder :



Weight	:	500 gm, 180gm & 20gm.
Ingredients	:	Sodium LAS, Non-Ionic Matter, Sodium Carbonate (light), Sodium Sulphate Anhydrous, Zeolite, CMC, Sodium Tripoli, Phosphate, Sodium Silicate (Powder), Optical Brightening Agent, Enzyme, Tetrabenzo-tetrazaporphoine derivative Perfume.

22. Keya Kleeno Dishwash Bar :



Weight	:	325gm & 125gm.
Ingredients	:	Sodium LAS, Sodium Carbonate, STPP, Aqua, Perfume TCC, CI-74260.

23. Keya Soap Noodles (Sodium Salt of Palmitic Acid) :



Weight	:	25 kg pack.
Color	:	White
Speification	:	TFM 78% (mim), TFM 74% (mim), TFM 70% (mim), TFM 68% (mim) & TFM 66% (mim).
Ingredients	:	Palm oil/palm stearine, Palm Kernel Oil/Palm Kernel Olien, Caustic Soda, Sodium Chloride, EDTA, HEDP, Tinapal CBS - X.

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24. Short Sleeve T-SHIRT (Men's, Women's Kids/Children) : Keya MC130, Keya MC150, Keya MC180, MC180-OE.



Product Details : Euro Fit
Weight : 130 GSM, 150 GSM, 180 GSM+/-5%, Sizes - S-2XL, S-3XL
Unit/Box : 100 PCS, Packs - 10/PCS
Color : White, Black, Red, Dk.Navy, Bright Yellow, Navy, Dk.Kelly Green, Heather Grey, Gold, Royal Blue, Dk.Orange, Bottle Green, Lt.Blue, Charcoal.
Made From : 100% Ring Spun Cotton & 100% Heavy Cotton

25. Short Sleeve POLO SHIRT (Men's, Women's, Children): Keya MPD180



Product Details : Euro Fit
Weight : 180 PGSM+/-5%
Sizes : S-3XL
Unit/Box : 50 PCS, Packs - 5/10PCS
Color : White, Black, Red, Dk.Navy, Bright Yellow, Navy, Dk.Kelly Green, Heather Grey, Gold, Royal Blue, Dk.Orange, Lt.Blue.
Made From : 100% Ring Spun Cotton

26. Men's SWEAT SHIRT : Keya SWC280



Product Details : Euro Fit
Weight : 280 GSM 180 +/-5%
Sizes : S-3XL
Unit/Box : 30 PCS, Packs - 5/6PCS
Color : Black, Red, Dk.Navy, Royal Blue, Bright Yellow, Navy, Dk.Kelly Green, Heather Grey, Dk.Orange.
Made From : 50% Cotton & 50% Polyester

27. Hooded Sweatshirt with Kangaroo Pocket: Keya SWP280



Product Details : Euro Fit
Weight : 280 GSM +/-5%
Sizes : S-3XL
Unit/Box : 25 PCS, Packs - 5/5 PCS
Color : Black, Red, Dk.Navy, Dk.Kelly Green, Heather Grey, Royal Blue, Dk.Orange, Navy.
Made From : 50% Cotton, 50% Polyester.

28. Hooded Sweatshirt with Full Zip: Keya SWZ280



Product Details : Euro Fit
Weight : 280 GSM +/-5%
Sizes : S-3XL
Unit/Box : 25 PCS, Packs - 5/5 PCS
Color : Black, Red, Dk.Navy, Royal Blue, Dk.Kelly Green, Heather Grey, Dk.Orange, Navy.
Made From : 100% Cotton, 50% Polyester.

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Welcome Message from the Chairman
চেয়ারম্যান মহোদয়ের স্বাগত বার্তা

প্রিয় শেয়ারহোল্ডারবৃন্দ,

Dear Shareholders,

কেয়া কসমেটিকস্ লিমিটেড এর ২১তম বার্ষিক সাধারণ সভায় আপনাদেরকে স্বাগত জানাতে পেরে আমি অশেষ আনন্দিত। এই সুযোগে কোম্পানীর ৩০শে জুন, ২০১৭ সালে সমাপ্ত হওয়া বছরের নিরীক্ষিত আর্থিক বিবরণী, নিরীক্ষিকের প্রতিবেদন এবং পরিচালকমন্ডলীর প্রতিবেদন আপনাদের সামনে উপস্থাপন করা হচ্ছে। কেয়া কসমেটিকস লিমিটেড এর বিভিন্ন খাতে চলমান পরিবর্তনের ধারা ২০১৬-২০১৭ সালে অব্যাহতভাবে বৃদ্ধি পেয়েছে এবং কেয়া তার কর্যক্রমকে আরও সুসংহত রাখার লক্ষ্যে সম্মিলিত প্রচেষ্টার মাধ্যমে এই পরিবর্তন মোকাবেলা করতে সক্ষম হয়েছে। আমাদের কৌশলগত কর্মপরিকল্পনা সুনির্ধারিত, যার লক্ষ্য কোম্পানীর বিভিন্ন খাতের ক্রমবর্ধমান প্রতিযোগীতা ও পরিবর্তনকে গ্রহণ করা এবং সমৃদ্ধি অর্জন করা।

It is indeed a great privilege for me to welcome you all in the 21st Annual General Meeting of Keya Cosmetics Limited. In this oppertunity, Directors' Report along with the audited Financial Statements and Auditors' Report thereon of the year ended on 30th June 2017 are presented before you. While the pace of change in the Keya Cosmetics Limited continued to accelerate in 2016-2017, Keya responded with a comprehensive set of efforts to build an even better Keya. Our Strategic agenda is set, and will position Keya Cosmetics Limited to continue to adapt and thrive in the increasingly competitive and changing industry.

তৈরি পোশাক শিল্প বর্তমানে বাংলাদেশের সবচেয়ে গুরুত্বপূর্ণ খাত যা দেশের অর্থনৈতিক উন্নয়নে গুরুত্বপূর্ণ ভূমিকা পালন করছে। এই শিল্প বাংলাদেশে ব্যাপক কর্মসংস্থান সৃষ্টি, নারীর ক্ষমতায়ন, রপ্তানি আয় বৃদ্ধি, সঞ্চয় বৃদ্ধি এবং দারিদ্রতা হ্রাসকরণে ইতিবাচক ভূমিকা রাখছে। বাংলাদেশের অর্থনীতিতে পোশাক শিল্পের গুরুত্বের কথা বিবেচনা করে কেয়া গ্রুপ প্রথম থেকে এই শিল্পের প্রতি বিশেষ নজর প্রদান করে আসছে। আর্ন্তজাকিত মানের সাথে সঙ্গতি রেখে আমরা এই শিল্পের মান ও কাজের পরিবেশ উন্নয়নে বিভিন্ন কার্যক্রম অব্যাহত রেখেছি।

The Ready Made Garments (RMG) industry is currently the most important sector for Bangladesh economy contributing significantly in the economic development. It has become the most important sector contributing in employment generation, women empowerment, export earnings, savings & poverty reduction. Considering its significance in the national economy, Keya group has been allocating substantial amount to finance different RMG projects since inception to patronize this most lucrative sector of the economy. We have continued to various works to the entrepreneurs for factory up gradation and improvement of working atmosphere as per international standards.

আমরা শক্তিশালী কৌশলগত সমৃদ্ধিতে বিশ্বাসী। যে কোন অনুকূল পরিবেশে ভালো ফলাফল অর্জিত হলে সেটাকে সব সময় স্বাগত জানানো হয়, এটা সব সময় প্রত্যাশিত। তবে অনিশ্চিত সময়কে মোকাবেলা করে ইতিবাচক ফলাফল অর্জন করতে পারাটা সফল ব্যবসায়িক কর্মপরিকল্পনা এবং উচ্চ কার্যকরী ব্যবস্থাপনা কর্তৃপক্ষের জন্য বিশেষ ঘটনা হিসেবে বিবেচনা করা হয়। আলোচ্য অর্থ বছরে কেয়া কসমেটিকস্ লিঃ এর প্রসাধন সামগ্রী, সূতা এবং তৈরী পোশাক সামগ্রী বিক্রয় বৃদ্ধির লক্ষ্যে কোম্পানির বিক্রয়, বিতরণ নেটওয়ার্ক ও মার্কেটিং ব্যবস্থাপনা আরও শক্তিশালী করা হয়েছে। যা আপনাদের কোম্পানির উৎপাদিত পণ্য বাজার অবস্থানকে আরও সুদৃঢ় করেছে। ২০১৬-১৭ অর্থ বছরে ২৬.৩৫% বিক্রয় প্রবৃদ্ধি অর্জিত হয়েছে। সর্বমোট বিক্রয় অর্জিত হয়েছে ১০৪০,৬৬,০৫,৩৬৭ টাকা, বিগত বছরে বিক্রয় ছিল ৯২৬,৭৯,৯৯,১৪৪ টাকা এবং প্রবৃদ্ধির হার ১২.২৯%। কোম্পানীর মোট প্রবৃদ্ধি অর্জিত হয়েছে ১৬৭,৫০,৩৯,০৬৬ টাকা যা বিগত বছরে ছিল ১৩২,৫৬,৭৯,১৬৭ টাকা এবং প্রবৃদ্ধির হার ২৬.৩৫%। আমাদের বিক্রয়, বিপনন ও মার্কেটিং বিভাগের সমন্বিত প্রচেষ্টা এবং সেবা ও কারখানার সমন্বিত ব্যবস্থাপনায় এ কৃতিত্ব অর্জন সম্ভব হয়েছে এবং আমরা একটি উজ্জল ভবিষ্যতের প্রত্যাশা করতে পারি।

We believe in strong, strategic growth. Being able to produce good results under favorable conditions is always welcome, but it is also expected. However, producing strong results in times of uncertainty is evidence both of a successful business strategy and a highly effective management team. The year under review the Keya Cosmetics Limited's distribution network and marketing management were strengthen more in view of the attainment of the increased sales of products. This helped to fortify our position in the cosmetics & toiletries, yarn and knit/readymade garments markets. During the year 26.35% sales growth was achieved compared to the growth rate of 12.29% in the preceding year. In the year 2016-17 overall sales achievement stood at Tk.1040,66,05,367/- which was Tk.926,79,99,144/- in the last year. The Company's total net profit after tax Tk.167,50,39,066/- during the year 2016-2017 as against 132,56,79,167/- during the previous year and net profit growth rate of 26.35%. This was attained by coordinated efforts of sales, marketing and factory and prosperous future of Keya Cosmetics Limited is due expectation the most desired.

বিভিন্ন সুযোগ সুবিধার সাথে সমন্বয় করে আমরা আমাদের ব্যবসায়কে সম্প্রসারণ করছি, যেখানে গ্রাহকদের সাথে আমরা নিবিড় সম্পর্ক স্থাপন করেছি। বিভিন্ন প্রতিকূল অবস্থা সত্ত্বেও কেয়া কসমেটিকস্ লিমিটেড এর পরিচালকমন্ডলী প্রতিকূল অবস্থাকে চ্যালেঞ্জ হিসাবে গ্রহণ করেছেন এবং দুরদর্শিতা, সময়োচিত পদক্ষেপ ও বিবেচনা প্রসূত বিনিয়োগের মাধ্যমে কোম্পানির বস্তগত উন্নয়ন, আর্থিক ব্যবস্থাপনা নিয়ন্ত্রণে সফলতার স্বাক্ষর রেখেছেন।

We are evolving our business mix to align with opportunities where we have, by building deeper relationships with our customers. In spite of forgoing situation, the Board of Directors has taken the matter as challenges and able to keep on the overall growth trend progressive managing the finance efficiently through visionary steps, timely action and ensuring proper investment procedure.

সর্বশেষে কেয়া আপনার বিনিয়োগের সর্বাধিক রির্টান প্রদানে বিশ্বাস করে। বিগত বছরগুলোতে কোম্পানী এটা প্রদর্শন করেছে এবং বিগত বছরগুলোর ধারাবাহিকতা সন্তোষজনক ছিল। এই ধারাবাহিকতা বজায় রাখার লক্ষ্যে এবং আপনাদের আস্থা অর্জনের জন্য ২০১৬-২০১৭ অর্থ বছরের হিসাব পর্যালোচনা করে আপনাদের পরিচালনা পর্ষদ ২০% বোনাস শেয়ার প্রদানের সুপারিশ করেছেন যাহা ২১তম বার্ষিক সাধারণ সভায় আপনাদের অনুমোদনের আপেক্ষায়।

Finally, Keya believes in giving highest possible return to your investment. This has been demonstrated time and again in the past. The track record is unparalleled and has been consistent over the years. To maintain track record and build up confidence on you, evaluating the Financial Statement for 2016-2017 of the company, your Directors have recommended 20% stock dividend subject to the approval of the Shareholders in the 21st Annual General Meeting.

আমি আমাদের সম্মানিত ক্রেতা, বিক্রেতা, ব্যাংকার, সরকারী সংস্থাসমূহ, বিধিবদ্ধ প্রতিষ্ঠান এবং আমাদের ব্যবসা পরিচালনার সাথে যারা জড়িত তাদের সকলকে আন্তরিক ধন্যবাদ জ্ঞাপন করছি। আমি কোম্পানীর শেয়ারহোল্ডারদের প্রতি কৃতজ্ঞ, যাদের সার্বক্ষনিক মূল্যবান সহযোগিতা এবং সমর্থন কোম্পানীকে আজকের এই অবস্থানে এনেছে। আমরা যে সাফল্য অর্জন করেছি তা সকলের সম্মিলিত প্রচেষ্টারই ফল।

I take this opportunity to express my sincere thanks to our customers, bankers, suppliers, government agencies, regulatory bodies and everyone with whom the company interacted in conducting its business. We are grateful to you, your valuable support and cooperation to bring the company to the level it has reached today. The success we have achieved so far was only possible because of the collective efforts of all concerned.

আমি আবারো আমাদের সকল শুভাক্ষাখীকে আন্তরিক ধন্যবাদ জানাই এবং ভবিষ্যতে তাদের অব্যাহত সমর্থন ও সহযোগিতা কামনা করি।

Once again, I convey my heartiest thanks to all our stakeholders and look forward to their continued support and cooperation in future.

Abdul Khaleque Pathan
Chairman



Key Presentation of the Financial Highlights

As at and for the year ended 30 June, 2017

(Taka in million except ratios and per share data)

Particulars	2016-17	2015-16	2015-15	2013-14	2012-13
Operating Profit	2,636,481,308	2,005,119,687	724,026,853	430,250,281	374,674,170
Net Profit before Tax	1,819,153,203	149,3529605	176,510,293	387,198,959	372,776,596
Income tax & Deferred tax	144,114,137	170,706,862	6,813,360	117,102,469	120,676,771
Net Profit after Tax	1,675,039,066	1,325,679,167	169,696,933	270,096,491	252,099,825

Ordinary Shares Information

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Earning Per Share	2.01	1.87	0.24	1.51	1.55
Dividend	20% (stock)	18% (stock)	20% (stock)	20% (stock)	10% (stock)
Book value Particulars per share	15.37	15.77	13.89	21.09	21.54
Ordinary shares outstanding (in million)	835.08	707.70	589.75	179.06	162.78

Financial Ratios (in percentage)

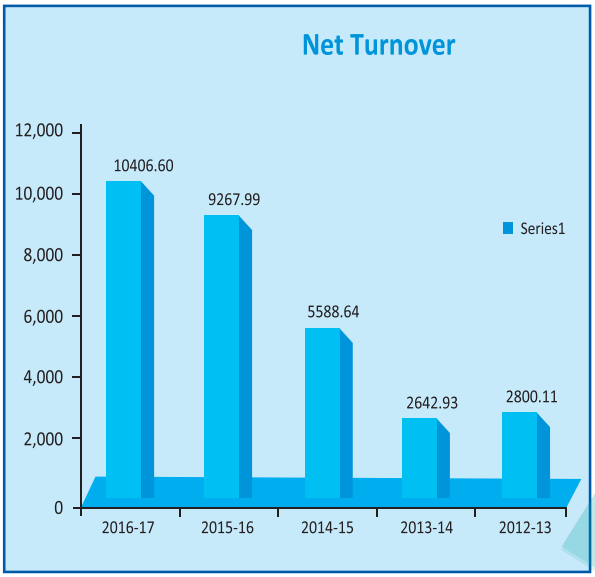
Particulars/Years	2016-17	2015-16	2014-15	2013-14	2012-13
Gross Profit Ratio (%)	28.68	26.20	18.98	24.70	23.08
Operating Profit Ratio (%)	25.33	21.63	12.96	14.36	13.38
Net Profit Ratio (%)	16.10	14.30	3.04	10.22	9.00
Earnings Per Share (Tk.)	2.01	1.87	0.24	1.51	1.55
Book Value Per Share (Tk.)	15.37	15.77	13.89	21.09	21.54
Dividend Payout Ratio (%)	76.05	88.97	579.22	60.23	64.57
Interest converge ratio (Time)	2.98	1.96	1.24	7.61	6.56
Return on capital employed (%)	7.75	6.73	0.97	7.15	7.19
Return on total assets (%)	6.30	5.60	1.24	6.08	5.99

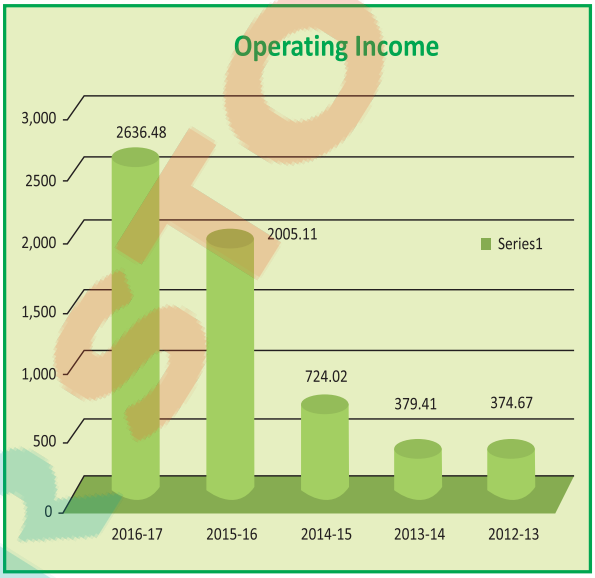
Expenses:

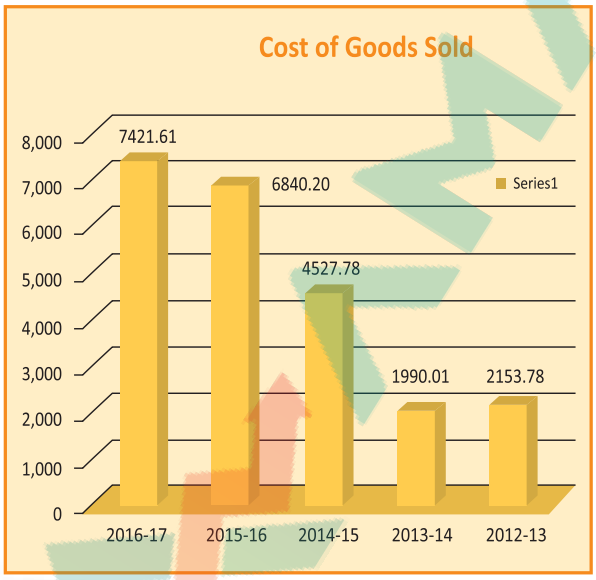
Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Cost of Goods Sold Ratio	71.32	73.80	81.02	75.30	76.92
Operating Expenses Ratio	3.35	4.56	6.03	10.35	9.70
Inventory Turnover Ratio	0.81	0.83	0.99	1.97	2.21
Materials consume to Cost of Goods Sold Ratio	90.82	83.66	84.40	90.27	98.36

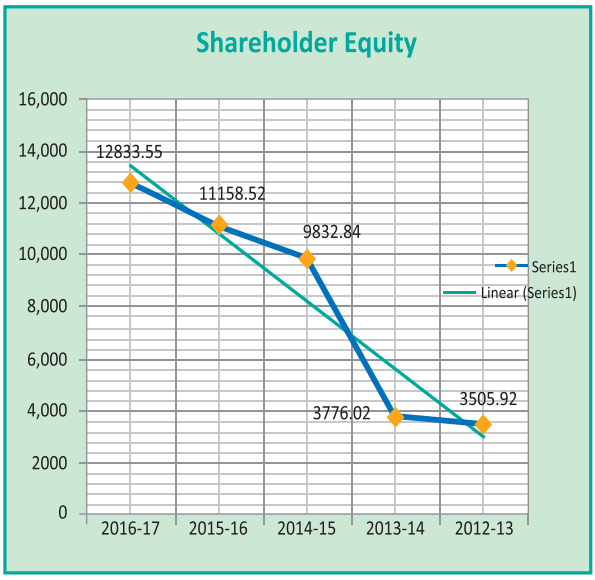
Graphical Persentation of Key Performance Indicators

For the year ended 30 June, 2017









Picture Gallery

Few Events of 20th AGM











Directors Report to the Shareholders

Bismillahir Rahmanir Raheem

Distinguished Shareholders,

Assalamu Alaikum Wa Rahmatullahi Wa Barakatuh,

We have the pleasure to welcome you on behalf of the Board of Directors at the 21th Annual General Meeting of Keya Cosmetics Limited and present before you the Directors' Report in compliance with Section 184 of the Companies Act 1994, Rule 12 (and Schedule there under) of the Bangladesh Securities and Exchange Rules 1987, BSEC Notification dated 7th August 2012 and International Accounting Standard (IAS)-1 codes as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) along with the Audited Financial Statements containing Statement of Financial Position as at 30 June 2017, Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year ended 30 June 2017 with Notes to the Financial Statements for your valuable guidance, opinion and consideration. We express our gratitude to the Almighty Allah for the Company's business success in 2016-2017.

OVERVIEW 2016-2017

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

The Board of Directors of the Company is pleased to declare operation performance achieved during the year 2016-2017. In consideration of quantity i.e. total shares in the year 2015-2016 was 707,702,444 on the contrary total shares in the year 2016-2017 is 835,088,883 which is 18% more than previous year. With prudent management decisions, all indicators and financial health of the company are in the right track. Net turnover, Gross profit, Net profit after tax and shareholders equity are at satisfactory level. Company's Net turnover, Gross profit, Net profit after tax and Shareholders equity was increased by 12.28% i.e. BDT 113.86 crore, 22.95% i.e. BDT 55.72 crore, 26.35% i.e. BDT 34.94 crore and 15.01% i.e. BDT 167.50 crore from than that of previous year. The year would have been more profitable if we had a smooth starting in the beginning of FY 2017-2018, which was slowed down due to political unrest across the country. We will always need your support therefore.

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

BUSINESS OUTLOOK 2016-2017

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

Economy grows faster at 7.28%, the GDP growth at constant price increased by 0.14 percentage point to 7.28% in the FY 206-2017 from 7.11% in the previous FY 2015-2016. The per-capita income (GNI) of the people also got an impressive boost by $145 to $1610 in the FY2017 from $1465 in the previous FY2016. Bangladesh is one of the three economies in the world which has entered into the 7.00 percent growth-rate club within the shortest time. GDB growth will hope fully cross 8.0 percent rate in 2019 and aspiration of being middle-income country by 2021. During the fiscal year 2016-2017, Bangladesh achieved the GDP growth 7.28%. Bumper production of crop, no major natural calamity, robust foreign currency remittance and record breaking foreign currency reserves, put the economy on a strong foot hold.

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

PROSPECTS OF READYMADE GARMENT SECTOR

In Bangladesh economy, textile industry plays a very important role. It is the largest employer in the country. The export earnings from readymade garments (RMG), knit products and other textile items constitutes about 80% of the total export products of the country. All statistics, research and survey forecast a positive trend of Bangladesh Readymade Garment Sector indicating the annual export growth rate of 10% to 11%.

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

The Garment Manufacturers are now looking forward to 2017 with much optimism. With over 80% shares of country's total export earnings and about 10.22% contribution to GDP, RMG has become an export powerhouse of the country.

PRINCIPAL ACTIVITIES

Keya Cosmetics Limited has four separate divisions namely (i) Cosmetics Division, (ii) Knit Composite Division, (iii) Spinning Division and (iv) Cotton Division. The Cosmetics division engaged in manufacturing of different kind of Beauty Soap, Coconut Oil, Shaving Cream, Laundry Soap, Ball Soap, Prickly Heat Powder, Ice Magic Body Cooler Powder, Natural Care Shampoo, Active Tooth Paste, Petroleum Jelly, Lip gel, Glycerin, Pomade etc. The Detergent powder produces different kind of detergent powder like Lemon Detergent Powder, White plus Detergent Powder, Super Excel Detergent Powder and Super Jet Detergent Powder and the Soap noodles unit produces Sodium Salt of Palmitic Acid (Soap Noodles) which is raw materials of any kind of soap. (ii). The Knit Composite Division produces of 100% export oriented readymade garments of different kind of like T-Shirts (Men's, Ladies & Kids), Polo Shirts (Men's, Ladies & Kids), Sweat Shirts (Men's, Ladies & Kids), Tank Top/Vest (Men's, Ladies & Kids) and all sorts of knitted garments. Besides, Spinning and Cotton Division produces cotton like Yarns.

OPERATIONAL REVIEW

(i) Investments in the Projects:

The production plants at Jarun, Konabari, Gazipur had continued to improve their operational efficiency both qualitatively and quantitatively by upgrading technological process, research and training. The Company made substantive investments and in this regard at factory installations during the year as detailed below:

Assets Type	2016-2017 (Tk.)	2015-2016 (Tk.)
Land & Land Development	1,055,966,732	11,055,966,732
Building & Other Const.	256,738,279	270,250,821
Plant & Machinery	1,613,066,823	1,787,651,452
Equipments	27,695,408	28,032,104
Furniture & Fixture	15,079,150	15,098,500
Transport & Vehicle	37,050,562	46,313,202
Software Development	26,744,421	30,991,055
All Other Assets	24,424,797	28,286,623
Total	3,056,766,173	3,262,590,489

(ii) Quality Control:

The Company places total emphasis on maintaining and improving of quality of its products at every levels of production and handling. The quality control facilities include a high quality standard laboratory building, computerized equipments and tools and a team of highly qualified/trained research personnel who are bent upon a unstinted attainment as ethical and moral objective.

(iii) Sales:

Export Sales:

During the year 2016-2017 under review, the company exports amounted to Tk.921.73 crore as against Tk.736.10 crore in previous year 2015-16 Keya Cosmetics Limited exported its products to India, Bhutan, Qatar, West Africa, North Korea, Europe, USA, German and Kingdom of Saudi Arabia. The exports are expected to rise in the coming years and Company has already engaged 18 foreign countries (Belgium, USA, Germany & UK).

Local Sales:

Keya Cosmetics Limited already engaged 236 distributors entire country. During the year 2016-2017 under review, the company in the local market amounted to Tk.140.55 crore as against Tk.219.69 crore in previous year 2015-16.

(iv) Financial Results:

The operating financial results of the Company for the year 2016-2017 as compared to previous year are summarized below:

Particulars	2016-2017 (Tk.)	2015-2016 (Tk.)	Percentage (%) of Increase/(Decrease)
Gross Turnover	10,622,901,694	9,557,966,886	11.14%
Net Turnover	10,406,605,367	9,267,999,144	12.29%
Gross Profit	2,984,993,634	2,427,798,716	22.95%
Net Profit before Tax	1,819,153,203	1,496,386,029	21.57%
Net Profit after Tax	1,675,039,066	1,325,679,167	26.35%
Cost of goods sold	7,421,611,733	6,840,200,428	8.50%

Particulars	2016-2017	2015-2016	Percentage (%) of Increase/(Decrease)
Gross Income Ratio	28.68	26.20%	9.47%
Net Income Before Income Tax Ratio	18.15	16.14%	12.45%
Net Income After Income Tax Ratio	16.10	14.30%	12.59%
EPS (basic)	2.01	1.87	7.49%
Net Assets Value Per Share (NAV)	15.37	13.59	13.10%

FAIRNESS OF THE FINANCIAL STATEMENTS

As per Companies Act 1994, it is the responsibility of the Directors to prepare financial statements for each year to be presented before the shareholders in the general meeting. The Financial Statements and other financial information included in this report fairly present in all material respects, the financial conditions, results of operations, cash flows and changes in equity of the Company as of and for the year ended 30 June 2017. A report regarding the fairness of financial statement from the Chief Financial Officer and the Managing Director is also enclosed herewith as **Annexure VII.**

SUBSTANTIAL SHAREHOLDINGS

BSEC's notification dated 20th February 2006 requires a listed company to disclose is the directors' report, the list of shareholders holding ten percent or more voting interest in the company. We are providing below the shareholding status of all sponsors and directors shareholders as on June 30, 2017.

Sl.#	Name of the Director and Sponsor Shareholders	No. of Shares	Percentage (%)
1.	Abdul Khaleque Pathan	306,491,259	36.70
2.	Mrs. Khaleda Pervin	17,705,800	2.12
3.	Mr. Masum Pathan	13,883,433	1.66
4.	Ms. Tansin Keya	19,412,339	2.32
5.	Mrs. Feruza Begum	38,429,110	4.60
6.	Khaleque & Co. (Pvt.) Ltd.	3,636,914	0.44
7.	Keya Sweaters Ltd.	255,819	0.03
8.	Keya Yarn Mills Ltd.	124,407,193	14.90
	TOTAL	**524,221,867**	**62.77**

RISKS AND CONCERNS

The Company is always aware of that business is subject to variety of risks and uncertainties e.g. Industry Risks, Regulatory Risks, Market Risk, Operational Risk, Legal Risk, Interest Rate Risk, Exchange Rate Risk and Potential changes in Global or national policies etc. In this respect, KCL has well defined it's risk management policies and introduced periodic monitoring system that act as an effective tool in mitigating various risks to which our businesses are exposed to in the course of its day-to-day operations as well as in its strategic actions.

FUTURE PLAN

Keya Cosmetics Limited is being managed by a group of professionals with good business acumen and Keya Cosmetics Limited is being managed by a group of professionals with good business acumen and experience. The management always endeavors to keep the business on track of best performance although. It has the plan to perform better with the existing facilities through effective utilization of its advantages and by updating the resources with technological advances. We believe that the company is in right track of business and operation.

We have planned to expand our Knit Composite Division through installation of new modern machineries in the existing factory previous. Using same manpower and resources from new machineries our RMG production will be double and we will be able to earn net profit to that extent.

In the process of expanding to meet increasing demand and in order to keep the project on the market, we would continue to update the project by adding new products out of new technology as and when required. We believe that with your cooperation and assistance we would be able to achieve our targets in the days to come.

CONSOLIDATION OF ACCOUNTS

In terms of BSEC regulations, the company has consolidated the Accounts following the codes of International Accounting Standard-28 & benefits/value of investments.

CONTRIBUTION TO THE NATIONAL EXCHEQUER

The Company has contributed total amount of Tk. 312,055,728 to National Exchequer as against Tk. 354,889,085 in the previous year.

HUMAN RESOURCE DEVELOPMENT

Keya is committed to enhance the capability of the individual work force through formal training, on job training and by encouraging self learning. The Keya Cosmetics Limited has provided excellent facilities for meetings, conferences, seminars and classroom sessions. External and Internal (local as well as foreign) trainers have conducted training courses for the workers and employees to upgrade their knowledge and skills for production of good quality Cosmetics, Detergent, Soap Noodles, T-Shirts, Polo-Shirts, Sweat-Shirts, Cotton and Yarn to face challenges of globalization.

BOARD OF DIRECTORS

(i) Constitution:

The Board of Directors, the top Management echelon, consisting of the 3 (three) private sponsors/successors, 1 (one) Institutional Investors Director and 01 (one) Independent Director provide the policy and strategic support and direction for the entire range of the corporate activities. The Board of Directors consist of 05 (five) numbers of Directors with diversified educational background and experience which provides a balancing character in decision making process. All the Directors are shareholders of the Company except the Independent Director. The pattern of Shareholding as at 30 June 2017 stated as **Annexure-II.** The Board is re-constituted every year at each Annual General Meeting when one-third of the members retires and seeks normally re-election. During the year 2016-2017, Mr. Abdul Khaleque Pathan, the Director of the Company, Ms. Tansin Keya, the Director and Md. Faizuddin, the Independent Director of the Company is going to retire by rotation and as they are eligible, have offered themselves for re-election. Brief resume and other information of the above mentioned directors as per clause 1.5 (xxii) of BSEC notification date 7th August 2012 are depicted in **Annexure-III.**

(ii) Separate Role of the Chairman and Managing Director:

The Positions of Chairman and the Managing Director are held by separate persons. The Chairman is responsible for the functions of the Board while the Managing Director serves as the Chief Executive Officer of the Company. Mr. Abdul Khaleque Pathan, the founder sponsor shareholder Director is the Chairman of the Company while Mrs. Khaleda Pervin, another sponsor shareholder Director is acting as the Managing Director of the Company.

(iii) Chief Financial Officer and Head of Internal Audit:

Chief Financial Officer: Mr. Humaun Kabir FCA, the Chief Financial Officer of the Company. He looks after the overall financial affairs of the Company. Among other functions, the Chief Financial Officer :

- Prepares Quarterly, Half yearly, Third Quarter and Yearly Financial Statements;
- Financial reporting procedures in line with the requirement of Bangladesh Accounting Standards;
- Reports financial position of the Company in its board meeting.

Head of Internal Audit : Internal Audit support of Company to achieve its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of its risk management and control, Internal Audit activity is governed by the Internal Team, which is approved by the Board.

Company Secretary: Mr. Md. Noor Hossain, Company Secretary of the Company. He provides legal matters to the Board. Among other functions, the Company Secretary:

- Bridges between the Board of Directors and Shareholders on strategic and statutory decision;
- Acts as a quality assurance agent in all information towards the Shareholders and Board;
- Is responsible for ensuring that the appropriate Board procedures are followed;
- Acts as the "Disclosure Officer" of the Company and monitors the compliance of the Acts, rules, regulations, notifications, guidelines, orders/directives etc. issued by the Bangladesh Securities and Exchanges Commission, Stock Exchange(s) applicable to the conduct of the business activities of the Company.

The Company Secretary keeps the records of the Company's compliance/noncompliance status of the conditions imposed by BSEC which has been shown in the compliance report on BSEC Notification.

(iv) Audit Committee of the Board:

The Board of Directors of the Company constituted an Audit Committee consisting of 5 (five) members. Out of this 5 (five), 2 (two) is Director, 1 (one) is Independent Director and another two is employees. Md. Faizuddin, Independent Director is the Chairman of the Audit Committee. The other members are Mrs. Khaleda Pervin, the Managing Director, Mr. Masum Pathan, the Director of the Company, Mr. M. Miraz Hossain, Controller of Audit and Mr. Humaun Kabir FCA, CFO of the Company. The Audit Committee carries out its responsibilities as per the provisions of law and submits its report to the Board of Directors time to time. The Audit Committee Report is enclosed herewith as Annexure-IV. The Audit Committee shall also co-ordinate with the internal and external Auditors as and when required.

RE-APPOINTMENT OF INDEPENDENT DIRECTOR

The Board of Directors in its meeting held on 08th November, 2017 decided to re-appoint Mr. Md. Faizuddin as Independent Director of the Company for a further period 03 (three) years as per BSCE Regulations and re-commended for approval by the shareholders in the ensuing Annual General Meeting. Brief resume and other information of the above mentioned director is depicted in ANNEXURE-II.

APPOINTMENT OF AUDITORS

The existing Auditors of the company, M/S. ARTISAN, Chartered Accountants retires at the Annual General Meeting and being eligible, have offer themselves for re-appointment as Auditors of the company for the year 2017-2018. Accordingly, after necessary scrutiny, based on the audit performance record and Letter of Interest (LO) submitted to the Company by the interested Audit Firms. The Board of Directors endorsed the recommendation of the Audit Committee for re-appointment of M/S. ARTISAN, Chartered Accountants as the Auditors of the Company for the year 2017-2018 and their remuneration was fixed up at Tk.200,000/- (Taka Two Lacs) subject to the approval of shareholders in the forthcoming Annual General Meeting

CORPORATE GOVERNANCE

Corporate Governance is the practice of good citizenship, through which the Company is governed by the Board, Keeping in view its accountability to the stockholders and to the society. A statement in pursuance to clause 1.5, report of compliance, audit committee report as per clause 3.5, certificate from professional accountant as per clause 7(i) and a status of compliance as per clause 7(ii) of the BSEC Notification No.SEC/CMRRCD/2006-158/129/Admin/43 dated 07th August 2012 are depicted in the Annexure-I, IV, V and VI respectively.

RELATED PARTY TRANSACTION

Basics of the related party transaction with the Company have been elaborated in the audited financial statements in the note number 36.00 in accordance with relevance Bangladesh Financial Reporting Standards.

DIVIDEND

The Board of Directors are pleased to recommend 20% stock dividend on equity shares for the year ended 30 June 2017 for consideration and approval by the shareholders in this annual general meeting. The dividend on equity shares, if approved, would be paid the those member whose name appears on the register of members as closing of the business day of record date, the 28th November, 2017.

APPROPRIATION OF PROFIT

The Board of Director recommended the appropriation of the net profit earned during the year 2016-2017 in the following manner :

Net Profit for the year (2016-2017)		1,675,039,066
Appropriation proposed: Issuance of 167,017,776 bonus shares (Stock Dividend) @ 20% : Face Value of Bonus Share	1,670,177,760	1,670,177,760
Net Un Appropriated Profit		4,861,306

CORPORATE SOCIAL RESPONSIBILITIES

Keya Cosmetics Limited commitment to connect business decisions to ethical, social and environmental concern remains to be one of the strongest foundations of the Company. In Keya, there is more than 1000 depth and daft people, who are working in various level of the Company. Moreover, Keya sponsoring the super hit television magazine "Ettadi" by which, Keya gifting books and trees to the attendee as well as Keya donating money to the very selective and special people, who are working for the nation without taking any penny. Furthermore, KEYA has been donating al large amount in health sector since inception with a view to develop healthcare service and help poor patient and helpless patient to bear medical expenses. In addition also express Medical Insurance, Legal Job-protection for young or soon-to-be mothers, pharmacy on production site, Medical Centre on production site, a company playground for children, Safe and Healthy working conditions.

MANAGEMENT APPRECIATION

The Board of Directors would like to express their deep appreciation to the management and employees for their unrelenting commitment through the year. We would like to place on record our gratitude to our valued business partner for their support and loyalty. We belief all our achievements are the result of the commitment and diligence of all our employees and business partners.

In addition also express their gratitude to the shareholders of the company, Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, National Board of Revenue (NBR), Registrar of Joint Stock Companies and Firms (RJSCF), various government authorities, trade bodies and all bankers and financial institution for their continuous support, co-operation and guidance, as we continue to take Keya Cosmetics Limited forward faster and further as a leading player within business community in Bangladesh.

We are moving further to the next edge of growth and excellence; we seek your continuous support and encouragement as we are used to get from you since beginning of our journey.

On behalf of the Board of Directors,

Khaleda Pervin
Managing Director

KEYA COSMETICS LIMITED

Front View of Few Snaps on Production Process :

Cosmetics Division





Spinning Division





KEYA COSMETICS LIMITED

Front View of Few Snaps on Production Process :

Cotton Division





Knit Composite Division





ANNEXURE-I

The Directors also report that:

- Related Party Transactions are depicted in Note No. 36.00 in the Notes of Account.
- Remuneration of Directors including Independent Director has been shown in Note No.28.00 in the Notes of Account.
- The Financial Statement of the Company present true and fair view of the Company's state of affairs, result of its operation, cash flows and changes in equity.
- Proper books of accounts as required by the prevailing law have been maintained.
- Appropriate accounting policies have been followed in formulating the financial statements and accounting estimates were reasonable and prudent.
- The financial statement was prepared in accordance with IAS/BAS/IFRS/BFRS.
- The internal control system is sound in design and is effectively implemented and monitored.
- There is no significant doubt about the company's ability to continue as a going concern.
- There is no significant deviation from the operating result of the last year.
- Key operating and financial data (Corporate Operational Results) of last five years have been presented in summarized form in page no.17 (of this Annual Report)
- The number of Board Meeting and the Attendance of Directors during the year 2016-2017 were as follows :

Name of Directors	Position	Meeting Held	Attended (30.06.2017)
Mr. Abdul Khaleque Pathan	Chairman	10	10
Mrs. Khaleda Pervin	Managing Director	10	10
Mr. Masum Pathan	Director	10	10
Ms. Tansin Keya	Director	10	10
Mr. Faizuddin	Independent Director	10	10

- The pattern of shareholding as required by clause 1.5(xxi) of the BSEC Notification dated 7th August, 2012 stated in Annexure-II.

ANNEXURE-II

Pattern of Shareholding as on 30th June, 2017.

Particulars		Nos. of Shareholding	Percentage (%)	Remarks
i. Parent/Subsidiary/Associated Companies and other related parties				
Keya Yarn Mills Ltd.		124,407,193	14.90	
Khaleque & Company (Pvt.) Ltd.		3,636,914	0.44	
Keya Sweaters Ltd.		255,819	0.03	
ii. Directors				
Abdul Khaleque Pathan	Director & Chairman		306,491,260	36.70
Mrs. Khaleda Pervin	Director & Managing Director		17,705,800	2.12
Ms. Tansin Keya	Director		19,412,340	2.32
Mr. Masum Pathan	Director (Representative on behalf of KYML)		13,883,433	1.66
Md. Faizuddin	Independent Director		Non shareholding Independent Director	
iii. Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their Spouses and Minor Children				
Mrs. Khaleda Pervin	Managing Director		17,705,800	2.12%
Md. Humaun Kabir FCA	Chief Financial Officer		-	
Md. Noor Hossain	Company Secretary		-	
Mr. M. Miraz Hossain	Head of Internal Audit		-	
iv. Executive : (top five salaried other than CEO, CFO, HIA)				
Alhaj Akkas Ali Pathan	Sr. Executive Director		-	
Mr. A. K. Azad	GM Merchandising & Production		-	
Mr. Md. Khabir Ahamed Khan	GM Marketing & Sales (Spinning & Cotton)		-	
Mr. Parimal Kumar Pramanik	Head of Productions		-	
Mr. Shahinur Rahman	Head of Sales & Marketing		-	
v. Shareholders Holding 10% or more voting interest in the Company accept Sponsor Shareholders.				

ANNEXURE-III

Brief Resume of the Directors

Directors who seek re-appointment :

Mr. Abdul Khaleque Pathan

Mr. Abdul Khaleque Pathan one of the Founder/Sponsor Director of the Company, now well known as Keya Group of Industries, was born on 14th May 1959 at Jarun, Konabari, Gazipur. He is a Chairman of Keya Cosmetics Limited since 2012. Being eligible the Board of Directors of the Company recommended to be re-appointed as Director by rotation subject to approval by the Shareholders in the 21st Annual General Meeting of the company to be held on 28th December, 2017.

He has a business experience of more than 30 years in the Garments, Cosmetics & Textiles, Cotton, and Yarn Sector. He is also Managing Director and Directors in other Company namely Keya Yarn Mills Limited, Keya Sweaters Ltd., Khaleque & Co. (Pvt.) Ltd., MP Sweaters Ltd., Keya Agro Process Ltd. and Keya Ring Spun Ltd. under the Keya Group.

Mrs. Tansin Keya

Mrs. Tansin Keya is a Director of the Keya Cosmetics Limited since 2013 daughter of Mr. Abdul Khaleque Pathan one of the Founder/Sponsor Director of the Company. Being eligible the Board of Directors of the Company recommended to be re-appointed as Director by rotation subject to approval by the Shareholders in the 21st Annual General Meeting of the company to be held on 28th December, 2017.

Mrs. Tansin Keya was born in 1995 in Dhaka. She took his O'Level from British Council of Bangladesh and has a business experience of more than 04 years in the cosmetics and textiles sector. She is also Directors in other company namely Keya Yarn Mills Limited under the Keya Group.

Re-appointment of Independent Director

Mr. Md. Faizuddin

Mr. Md. Faizuddin served in Sonali Bank Limited as DGM and Principal, Sonali Bank Staff College, Dhaka. He is the advisor of different Organization in various sectors and also involved in rendering services to different business, social and development organization. Being eligible the Board of Directors of the Company recommended to be re-appointed as Independent Director by rotation subject to approval by the shareholders in the 21st Annual General Meeting of the company to be held on 28th December, 2017.

ANNEXURE-IV

Audit Committee Report

For the year ended 30th June, 2017.

The Board of Directors of Keya Cosmetics Limited has constituted an Audit Committee in terms of the conditions of Bangladesh Securities and Exchange Commission's (BSEC) Guidelines. All Members of the Audit Committee are financially literate and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as Members of the Audit Committee. The Audit Committee assists the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business.

The Audit Committee consists of the following persons :

Sl No	Name	Status in the Company	Status in the Committee
1	Mr. Md. Faizuddin	Independent Director	Chairman
2	Mrs. Khaleda Pervin	Managing Director	Member
3	Mr. Masum Pathan	Director	Member
4	Mr. M. Miraz Hossain	Controller of Audit	Member
5	Mr. Humaun Kabir, FCA	Chief Finance Officer	Member Secretary

The Scope of Audit Committee was defined as under:

(a) Review and recommend the Board to approve the quarterly, half-yearly and annual financial statements prepared for statutory purpose;

(b) Monitor and oversee choice of accounting policies and principles, internal control risk management process, auditing matter, hiring and performance of external auditors;

(c) Review statement of significant related party transactions submitted by the management;

(d) Carry on a supervision role to safeguard the systems of governance and independence of statutory auditors; and

(e) Review and consider the report of internal auditors and statutory auditors observations on internal control.

Activities carried out during the year

TThe Committee reviewed the integrity of the quarterly and annual financial statement and recommended to the Board for consideration. The committee had overseen, reviewed and approved the procedure and task of the internal audit, financial report preparation and the external audit reports. The committee found adequate arrangement to present a true and fair view of the activities and the financial status of the company and didn't find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting.

Sd/
Md. Faizuddin
Chairman
Audit Committee

আহমদ এন্ড আখতার
AHMAD & AKHTAR
Chartered Accountants

Russell Bedford
A Correspondent Member Firm of
Russell Bedford International, UK
www.russellbedford.com

Certificate on compliance of corporate governance guidelines of

Keya Cosmetics Limited

[As required under the Bangladesh Securities and Exchange Commission (BSEC) Guideline]

We have examined compliance to the Bangladesh Securities and Exchange Commission (BSEC) guidelines on Corporate Governance by Keya Cosmetics Limited (the Company) for the year 30 June 2017. These guidelines related to the Notification No. SEC/ CMRRCD/2006-158/134/ Admin/44 dated 7th August 2012, as amended vide notification dated 21 July 2013 and 18 August 2013 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

The compliance with the said conditions of Corporate Governance and reporting the status thereof is the responsibility of the management of the Keya Cosmetics Limited. Our responsibility is to provide a certificate about whether the Keya Cosmetics Limited is in compliance with the said conditions of Corporate Governance based on our examination. Our examination for the purpose of issuing this certificate was limited to the procedures including implementation thereof as adopted by the Company for ensuring the compliance on the attached statement on the basis of evidence gathered and representation received. It is neither an audit nor an expression of opinion on the financial statements of the Keya Cosmetics Limited.

Based on the audited financial statement for the year ended 30 June 2017 issued by ARTISAN, Chartered Accountants dated on 08 November 2017 and our examination condition of compliance status of corporate guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2006-158/134/ Admin/44 dated 7th August 2012, as amended vide notification dated 21 July 2013 and 18 August 2013, in our opinion and to the best of our information and according to the explanations provided by the management to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines issued by Bangladesh Securities and Exchange Commission (BSEC). We also state that such compliance is neither an assurance as to the future viability of the Company nor a certification on the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Dated: 20 November 2017
Dhaka.

Ahmad & Akhtar Dhaka Chartered Accountants

AHMAD & AKHTAR
Chartered Accountants

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ANNEXURE-VI

Corporate Governance Compliance Report

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07th August, 2012.

Condition No.	Title	Compliance Status ("✓" has been put in the appropriate column)		Explanation for Non-Compliance
		Complied	Not Complied	
1	**Board of Directors**			
1.1	**Board's Size :** The number of the Board members of the company shall not be less than 5(five) and more than 20 (twenty).	✓		
1.2	**Independent Directors**			
1.2 (i)	At least one fifth (1/5) of the total number of directors shall be independent directors.	✓		
1.2 (ii)	**For the purpose of this clause "Independent Director" means a director**			
1.2 (ii) a)	Does not hold any share or holds less than 1% shares of the total paid-up shares of the company	✓		
1.2 (ii) b)	Who is not connected with the company's any sponsor or director or shareholder who holds 1% or more shares of the total paid-up shares of the company on the basis of family relationship.	✓		
1.2 (ii) c)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	✓		
1.2 (ii) d)	Not a member, director or officer of any stock exchange	✓		
1.2 (ii) e)	Not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	✓		
1.2 (ii) f)	Not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of any statutory audit firm	✓		
1.2 (ii) g)	Not be an Independent Director in more than 3 (three) listed companies	✓		
1.2 (ii) h)	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 (ii) i)	Not been convicted for a criminal offence involving moral turpitude	✓		
1.2 (iii)	Appointed by Board of Director and approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2 (iv)	The post of Independent Director(s) can not remain vacant for more than 90 (ninety) days.	✓		
1.2 (v)	Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓		
1.2 vi)	Tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	✓		
1.3	**Qualification of Independent Director**			
1.3 (i)	Shall be knowledge individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
1.3 (ii)	Should be a Business Leader/Bureaucrat/University Teacher with Economic or Business Studies or Law background/professionals like Chartered Accounts, Cost & Management Accountants, Chartered	✓		

1.3 (iii)	In special cases the above qualification may be relaxed subject to prior approval of the Commission.	✓		Not Applicable
1.4	**Chairman of the Board and Chief Executive Officer** The Chairman and Chief Executive Officer (CFO) shall be filled by different individuals. Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and CFO.	✓		
1.5	**The Directors' Report shall include the following additional statements**			
1.5 (i)	Industry outlook and possible future developments in the industry.	✓		
1.5 (ii)	Segment-wise or product-wise performance.	✓		
1.5 (iii)	Risks and concerns	✓		
1.5 (iv)	Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin.	✓		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	✓		
1.5 (vi)	Basis for related Party Transactions	✓		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	✓		Not Applicable
1.5 (viii)	An explanation if the financial results deteriorate after company goes for IPO, (RPO), Rights Offer, Direct Listing			No such deterioration
1.5 (ix)	Explanation about significant variance occurs between Quarterly Financial performance and Annual Financial Statements..			No such variance occurred.
1.5 (x)	Remuneration to directors including Independent Directors.	✓		
1.5 (xi)	Fairness of Financial Statement.	✓		
1.5 (xii)	Maintenance of proper books of accounts	✓		
1.5 (xiii)	Adoption of appropriate accounting policies and estimates.	✓		
1.5 (xiv)	Followed IAS, BAS, IFRS, BFRS in preparation of the financial statements.	✓		
1.5 (xv)	Soundness of internal control system	✓		
1.5 (xvi)	Ability to continue as a going concern	✓		
1.5 (xvii)	Significant deviations from the last year			
1.5(xviii)	Key operating and financial data of at least preceding data of at least preceding 5 (five) years.	✓		
1.5 (xix)	Reason for not declared dividend			Not application
1.5 (xx)	Number of Board meeting held during the year and attendance.	✓		
1.5 (xxi)	**Pattern of Shareholding :**			Please see Annexure-II
1.5 (xxi)a)	Parent/Subsidiary/Associated Companies and other related parties	✓		
1.5 (xxi)b)	Directors, CEO, CS, CFO, HIA and their spouses and minor children	✓		
1.5 (xxi)c)	Executives	✓		
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company	✓		
1.5 (xxii)	**Appointment/re-appointment of director, disclose**	✓		
1.5 (xxii) a)	A brief resume of the director	✓		
1.5 (xxii) b)	Nature of his/her expertise in specific functional areas	✓		
1.5 (xxii) c)	Holding of directorship and membership of committees of the board other then this Company.	✓		
2	**Chief Financial Officer (CFO), Head of Internal Auditor (HIA) and Company Secretary (CS)**			
2.1	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, HIA and the CS.	✓		

2.2	The Chief Financial Officer (CFO) and the Company Secretary (CS) of the companies shall attend the meetings of the Board of Directors.	✓		
3.00	**Audit Committee**			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	✓		
3 (ii)	Assistance of the Audit Committee to the Board of Directors.	✓		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		
3.1	**Constitution of the Audit Committee**			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
3.1 (ii)	Appointment of Members of the Audit Committee (Members should appointed by the Board with at least 01 (one) Independent Director)	✓		
3.1 (iii)	Qualification of Members of the Audit Committee (Members should be "financially literate" and at least 01 (one) member shall have accounting or related financial management experience)	✓		
3.1 (iv)	Casual vacancy in Audit Committee shall be filled by the Board.	✓		
3.1 (v)	The Company Secretary shall act as the Secretary of the Audit Committee.	✓		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director.	✓		
3.2	**Chairman of the Audit Committee**			
3.2 (i)	The Board of Directors shall select 01 (one) member of the Audit Committee, who shall be an Independent Director.	✓		
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	✓		
3.3	**Role of Audit Committee**			
3.3 (i)	Oversee the Financial Reporting process.	✓		
3.3 (ii)	Monitor choice of accounting policies and principles	✓		
3.3 (iii)	Monitor Internal Control Risk management process.	✓		
3.3 (iv)	Oversee hiring and pe rformance of external auditors principles.	✓		
3.3 (v)	Review Annual Financial Statements before submission to the board for approval.	✓		
3.3 (vi)	Review the quarterly and half yearly financial statements before submission to the board for approval.	✓		
3.3 (vii)	Review the adequacy of internal audit function.	✓		
3.3 (viii)	Review statement of significant related party transactions	✓		
3.3 (ix)	Review Management Letters / Letter of Internal Control weakness issued by statutory auditors.	✓		
3.3 (x)	Disclosure about the uses/applications of funds raised by IPO/PRO/Right issue.	✓		
3.4	**Reporting of the Audit Committee**			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
3.4.1(ii)	The Audit Committee shall immediately report on the following findings to the Board of Directors	✓		
3.4.1(ii) a)	Report on conflicts of interests to the Board of Directors	✓		
3.4.1(ii) b)	Will report any suspected or presumed fraud or irregularity or material defect in the internal control system;	✓		
3.4.1(ii) c)	Will report any suspected infringement of laws, including securities related laws, rules and regulations;	✓		
3.4.1(ii)d)	Will report any other matters which shall which shall be disclosed to the Board of Directors immediately.	✓		

NEWSTOCK

3.4.2	**Reporting to the Authorities (BSEC)** If any materials impact on the financial condition & results of operation, unreasonably ignored by the Board of Directors.	✓		
3.5	**Reporting to the shareholders and General Investors** Report on activities carried out by the Audit Committee including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the issuer company.	✓		
4	**Engagement of External/ Statutory Auditors :**			
4 (i)	Appraisal or valuation services or fairness opinions.	✓		
4 (ii)	Financial information systems design and implementation.	✓		
4 (iii)	Book-keeping	✓		
4(iv)	Broker-dealer services.	✓		
4 (v)	Actuarial services.	✓		
4 (vi)	Internal audit services.	✓		
4 (vii)	Services that the Audit Committee determines.	✓		
4 (viii)	No partner employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	✓		
4 (ix)	Audit/certificate service on compliance of corporate governance	✓		Please see Annexure-V
5	**Subsidiary Company**			
5 (i)	Composition of the Board of Directors	✓		
5 (ii)	At least 1 (one) Independent Director to the subsidiary company.	✓		
5 (iii)	Submission of Minutes to the holding company	✓		
5 (iv)	Review of Minutes by the holding Company	✓		
5 (v)	Review of Financial Statements by holding Company.	✓		
6	**Duties of Chief Executive Officer and Chief Financial Officer:**			Please see Annexure-VI
6(i) a)	The CEO & CFO will certify to the Board that they have reviewed the Financial Statements and believe that these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		
6 (i) b)	The CEO & CFO will certify to the Board that they have reviewed the Financial Statements and believe that these financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered in to by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓		
7	**Reporting and Compliance of Corporate Governance:**			
7 (i)	Obtain a certificate about compliance of conditions of Corporate Governance Guidelines.	✓		
7 (ii)	The Directors of the company shall state, in the Director's report about the compliance with the conditions of the Corporate Governance Notification.	✓		

BSE STOCK

ANNEXURE-VII

Certificate to the Board of Directors on Compliance with the Condition No. 6 of the Corporate Governance Guidelines of BSEC

In accordance with the notification of Bangladesh Securities and Exchange Commission No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012, we the undersigned Managing Director and the Chief Financial Officer (CFO), do hereby certify to the Board that-

i) We have reviewed the Financial Statements for the year ended 30th June, 2017 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 financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.

ii) There are, to the best our knowledge and belief, no transactions entered into by the Company during the year ended 30th June, 2017 which are fraudulent, illegal or violation of the Company's code of conduct.

(Humaun Kabir FCA)
Chief Financial Officer

(Khaleda Pervin)
Managing Director

ARTISAN
Chartered Accountants

Date: 08.11.2017

AUDITORS' REPORT

We have audited the accompanying financial statements of Keya Cosmetics Limited which comprise the Statement of Financial Position as at 30th June, 2017 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and all related consolidated financial statements and a summary of significant accounting policies and other explanatory notes.

The Management's Responsibility for the Financial Statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations. This responsibility includes: designing, Implementing and maintaining internal control relevant to the preparation and fair preparation of financial statements that are free from material misstatements, 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 International Standards on Auditing (ISA) and Bangladesh Standards on Auditing (BAS). Those standards require that we comply with ethical requirements and plan and perform to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to error. In making those risk assessments, the auditor considers 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 expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements including consolidated financial statements, prepared in accordance with International Financial Reporting Standards (IFRS) and Bangladesh Financial Reporting Standards (BFRS) give a true and fair view of the state of the company as at 30th June, 2017 and of the results of its operations and its cash flows for the year then ended in accordance with the Companies Act, 1994 and other applicable laws and regulations.

We also Report that:

(a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

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

(c) The Company's Statement of Financial Position, Statement of Appropriation Account, Statement of Comprehensive Income and Statement of Cash Flows dealt with by the report is in agreement with the books of account;

And

(d) The expenditure incurred was for the purpose of Company's business.

ARTISAN
Chartered Accountants

Shah Ali Tower (6th & 7th Floor) 33, Kawran Bazar, Dhaka-1215, Bangladesh
Phone : 8189883-7, 8180183-6, Fax : 8180187, E-mail : info@artisan-ca.com, afmalamgir28@gmail.com, Web : www.artisan-ca.com

DSE STOCK

KEYA COSMETICS LIMITED

Statement of Financial Position

AS AT 30 JUNE, 2017

Particulars	Notes	Amount in Taka	
		30 June 2017	30 June 2016
Assets:			
Non Current Assets		**3,890,915,180**	**4,176,538,958**
Fixed Assets	4.00	3,738,108,317	3,979,370,530
Investments	5.00	152,806,863	197,168,428
Current Assets		**24,747,735,695**	**20,321,539,779**
Stock of Goods, Materials & Stores	6.00	9,959,332,466	8,274,569,142
Material In Transit	7.00	613,556,645	454,808,007
Loans, Advances & Deposits	8.00	1,604,347,904	1,573,991,884
Current Account with Sister Concern	9.00	1,968,754,257	1,975,842,103
Trade Receivable	10.00	9,968,454,576	7,586,676,525
Other Receivables	11.00	587,836,673	417,923,646
Cash & Bank Balance	12.00	45,453,174	37,728,472
Total Assets		**28,638,650,875**	**24,498,078,737**
Equities and Liabilities:			
Shareholders Equity :		**12,833,559,638**	**11,158,520,572**
Share Capital	13.00	8,350,888,830	7,077,024,440
Share Premium (Net off Tax)	14.00	4,615,642	4,615,642
Revaluation Reserve	15.00	468,576	468,576
Tax Holiday Reserve	16.00	45,744,731	45,744,731
Capital Reserve		2,704,988,012	2,704,988,012
Retained Earnings	17.00	1,726,853,847	1,325,679,171
Non Current Liabilities:		**8,786,464,096**	**8,545,161,663**
Long Term Loan	18.00	8,598,513,232	8,359,000,194
Deferred Tax Liability	19.00	187,950,864	186,161,469
Current Liabilities		**7,018,627,141**	**4,794,396,502**
Bank Loans & Overdraft	20.00	6,344,520,762	4,201,428,984
Trade Payable	21.00	101,987,451	74,586,124
Outstanding Liabilities	22.00	47,679,846	35,068,374
Provision for Income Tax	23.00	466,599,966	420,034,625
Unclaimed Dividend	24.00	7,936,784	7,936,784
Workers Profit Participation & Welfare Fund	25.00	49,902,332	55,341,611
Total Equity & Liabilities		**28,638,650,875**	**24,498,078,737**
Net Asset Value (NAV) Per Share	33.00	**15.37**	**15.77**
Net Asset Value (NAV) Per Share (Restated)	33.00	**-**	**13.36**

Accompanying notes form the integral part of the financial statements.

Abdul Khaleque Pathan
Chairman

Khaleda Pervin
Managing Director

Md. Noor Hossain
Company Secretary

As per our annexed report of even date

Date : 08 November 2017
Place : Dhaka

ARTISAN
Chartered Accountants

KEYA COSMETICS LIMITED
Statement of Profit or Loss and Other Comprehensive Income
FOR THE YEAR ENDED 30 JUNE, 2017

Particulars	Notes	Amount in Taka	
		30 June 2017	30 June 2016
Turnover	26.00	10,406,605,367	9,267,999,144
Less: Cost of Goods Sold	27.00	7,421,611,733	6,840,200,428
Gross Profit		**2,984,993,634**	**2,427,798,716**
Less: Operating Expenses:		**348,512,326**	**422,679,029**
Administrative Expenses	28.00	165,887,575	202,600,289
Marketing, Selling and Distribution Expenses	29.00	182,624,751	220,078,740
Operating Profit		**2,636,481,308**	**2,005,119,687**
Less: Non-Operating (Expenses)/Income:		**(725,621,038)**	**(433,914,357)**
Financial Expenses	30.00	884,832,907	1,022,683,668
Non Operating Income	31.00	159,211,869	588,769,311
Net Profit before WPPF & Tax		**1,910,860,270**	**1,571,205,330**
Less: Contribution to WPPF	25.00	91,707,067	74,819,301
Net Profit before Tax		**1,819,153,203**	**1,496,386,029**
Less: Provision for Taxation		**144,114,137**	**170,706,862**
Provision for Income Tax	23.00	142,324,742	167,850,438
Provision for Deferred Tax	19.01	1,789,395	2,856,424
Net Profit after Tax		**1,675,039,066**	**1,325,679,167**
Add: Other Comprehensive Income		-	-
Total Comprehensive Income		**1,675,039,066**	**1,325,679,167**
Earning Per Share (EPS)	32.00	**2.01**	**1.87**
Earning Per Share (Restated)	32.00	**-**	**1.59**

Accompanying notes form the integral part of the financial statements

Abdul Khaleque Pathan
Chairman

Khaleda Pervin
Managing Director

Md. Noor Hossain
Company Secretary

As per our annexed report of even date

ARTISAN
Chartered Accountants

Date : 08 November 2017
Place : Dhaka

KEYA COSMETICS LIMITED

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE, 2017

(Figures in Taka)

Particulars	Share Capital	Share Premium	Tax Holiday Reserve	Revaluation Reserve	Retained Earnings	Capital Reserve	Share Holders Equity
Balance as on 01.07.16	7,077,024,440	4,615,642	45,744,731	468,576	1,325,679,171	2,704,988,012	11,158,520,572
Forfeited Shares	-	-	-	-	-	-	-
Issue of Share capital against amalgation	-	-	-	-	-	-	-
Revaluation reserve adjustment	-	-	-	-	-		-
Net profit	-	-	-	-	1,675,039,066	-	1,675,039,066
Stock Dividend paid	1,273,864,390	-	-	-	(1,273,864,390)	-	-
Balance as on 30.06.2017	**8,350,888,830**	**4,615,642**	**45,744,731**	**468,576**	**1,726,853,847**	**2,704,988,012**	**12,833,559,638**
Balance as on 30.06.2016	**7,077,024,440**	**4,615,642**	**45,744,731**	**468,576**	**1,325,679,171**	**2,704,988,012**	**11,158,520,572**

Abdul Khaleque Pathan
Chairman

Khaleda Pervin
Managing Director

Md. Noor Hossain
Company Secretary

As per our annexed report of even date

ARTISAN
Chartered Accountants

Date : 08 November 2017
Place : Dhaka

AMARSTOCK

KEYA COSMETICS LIMITED
Statement of Cash Flows
FOR THE YEAR ENDED 30 JUNE, 2017

Particulars	Notes	Amount in Taka	
		30 June 2017	30 June 2016
A. Cash From Operating Activities :			
Receipts:			
Cash Received from Sales Revenue		8,024,827,316	9,837,522,149
Cash Received from Other Income		151,224,575	588,769,311
Total Cash Receipts		**8,176,051,891**	**10,426,291,460**
Payments:			
Payment for Purchase & Expenses		10,584,824,406	10,764,183,288
Total Payments		**10,584,824,406**	**10,764,183,288**
Net Cash Used)/Provided from Operating Activities		**(2,408,772,515)**	**(337,891,828)**
B. Cash Flows From Investing Activities:			
Investment & FDR		44,361,565	(15,372,964)
Fixed Assets Acquisition		(10,469,164)	(28,951,166)
Net Cash (used)/provided in Investing Activities		**33,892,401**	**(44,324,130)**
C. Cash Flows From Financing Activities:			
Short term Loan		2,143,091,778	(439,591,865)
Long Term Loan		239,513,038	834,167,275
Cash and Cash Equivalents are take over from Transferor Companies		-	-
Net Cash (used)/provided in Financing Activities		**2,382,604,816**	**394,575,410**
D. Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)		**7,724,702**	**12,359,452**
E. Cash and Cash Equivalents at beginning of the period		37,728,472	25,369,020
F. Cash and Cash Equivalents at the ending of the period (D+E)		**45,453,174**	**37,728,472**
Net Operating Cash Flow Per Share (NOCFPS)	**34.00**	**(2.88)**	**(0.48)**
Net Operating Cash Flow Per Share (NOCFPS)	**34.00**	**-**	**(0.40)**

Accompanying notes form the integral part of the financial statements

Abdul Khaleque Pathan
Chairman

Khaleda Pervin
Managing Director

Md. Noor Hossain
Company Secretary

As per our annexed report of even date

ARTISAN
Chartered Accountants

Date : 08 November 2017
Place : Dhaka

Keya Cosmetics Ltd.

Notes, Comprising a Summary of Significant Accounting Policies and other Explanatory Information

For the financial year ended June 30, 2017

1.00 REPORTING ENTITY

1.01 Background of the Company

The company was incorporated in Bangladesh as private limited company on 14 July, 1996 as company limited by shares under the Companies Act; 1994 and converted into public limited company on 07 May 1999 under the Companies Act, 1994. The company was listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) as a publicly quoted company. Trading of the shares of the company started in two stock Exchanges from 2001. The Registered office and factory of the company is at Jarun. Konabari, Gazipur. And the corporate office is located at Navana Tower (14th Floor), House no-45, Gulshan Avenue, Gulshan-1, Dhaka-1212.

Keya Cosmetics Limited is engaged in production of several kinds and size of soap, shaving cream, toothpaste, coconut oil and other cosmetics items since its incorporation. As on 28 February 2015, the Company took over, under a scheme of amalgamation all assets and liabilities of erstwhile Keya Spinning Mills Ltd, Keya Cotton Mills Ltd and Keya Knit Composite Ltd, three companies were public limited, the backward linkage industries of Keya Group. The scheme of amalgamation was duly approved by the Honorable High Court Division of Bangladesh Supreme Court vide case company matter no. 235 of 2013, judgment dated 07-12-2014 with effect from 28 February 2015.

1.02 Affiliated Company

Keya Cosmetics Limited has an affiliated company is the name of Keya Yarn Mills Limited.

2.00 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.01 Statement of Compliance

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the companies Act 1994, the Securities & Exchange Rules 1987 and International Accounting Standard (IAS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standard (BAS) & Bangladesh Financial Reporting Standard (BFRS).The Board of Directors is responsible for preparing and presenting the financial statement including adequate disclosures, who approved and authorized for issue of these financial statements. The statement of financial position and Statement of Profit or Loss and Other Comprehensive Income have been prepared according to BAS-1 "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption and statement of cash flow according to BAS-7 "Statement of Cash Flows".

2.01.1 Regulatory Compliances

As required by the company, the management complies with all Rules and Regulations applicable in Bangladesh

2.01.2 Components of the Financial Statements

According to the International Accounting Standards (IAS)-1 as adopted by ICAB as BAS-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components.

i. Statement of financial position as at 30 June 2017;

ii. Statement of profit or loss and comprehensive income for the financial year ended 30 June 2017;

iii. Statement of changes in equity for the financial year ended 30 June 2017;

iv. Statement of cash flows for the financial year ended 30 June 2017;

v. Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Information for the financial year ended 30 June 2017.

2.01.3 Measurement Bases used in preparing the Financial Statements

The financial statements have been prepared on the historical cost basis, and therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the company and are consistent with those of the previous year.

2.01.4 Reporting Currency and Level of Precision

The financial statements are presented in Bangladeshi currency (Taka), which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest Taka.

2.01.5 Preparation and Presentation of Financial Statements of the Company

The Board of Directors of the company is responsible for the preparation and presentation of financial statements of Keya Cosmetics Limited.

2.01.6 Use of Estimates and Judgments

The preparation of these financial statements, in conformity with BASs/BFRSs, required management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual amounts may differ from these estimates.

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

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

Note: 4.00 Fixed Assets

Note: 8.00 Loans, Advance and Deposit

Note: 6.00 Inventories

Note: 19.00 Deferred tax liability

Note: 23.00 Income tax liability

Note: 28.00 & 29.00 Depreciation to be charge

2.01.7 Reporting Period

The financial year of the company covers one year from 1 July 2016 to 30 June 2017 and is followed consistently.

2.01.8 Statement of Cash Flows

Statement of cash flows is prepared in accordance with "BAS 7: Statement of Cash Flows" and the cash flows from operating activities have been presented under Direct Method as required by the Securities and Exchange Rules 1987 and considering the provisions that "Enterprises are Encouraged to Report Cash Flow from Operating Activities using the Direct Method".

2.01.9 Compliance with the Requirements of Notification of the Securities and Exchange Commission dated 04.06.2008 under ref.#SEC/CMMRPC/2008-181/53/Adm/03/28

a) Notes to the financial statements marked from 1.04 setting out the policies are unambiguous with respect to the reporting framework on which the accounting policies are based.

b) The accounting policies on all material areas have been stated clearly in the notes marked from 1.04.

c) The accounting standards that underpin the policies adopted by the company can be found in the following places of the notes to the financial statements:

Sl. No.	Name of the BAS	BAS's no.	Compliance status
1	Presentation of Financial Statements	1	Applied
2	Inventories	2	Applied
3	Statement of Cash Flows	7	Applied
4	Accounting policies, Changes in accounting Estimates & Errors	8	Applied
5	Events after the Reporting Period	10	Applied
6	Construction Contracts	11	Not Applied
7	Income Taxes	12	Applied
9	Property, Plant and Equipment	16	Applied
10	Leases	17	Not Applied
11	Revenue	18	Applied
12	Employees Benefits	19	Applied
13	Accounting for Government Grants & Disclosure of Government Assistance	20	Not Applied
14	The Effects of Changes in Foreign Exchange Rates	21	Applied
15	Borrowing Costs	23	Applied
16	Related Party Disclosures	24	Applied
17	Accounting and Reporting by Retirement Benefit Plans	26	Not Applied
18	Consolidated and Separate Financial Statements	27	Not Applied
19	Investment in Associates	28	Not Applied

Sl. No.	Name of the BAS	BAS's no.	Compliance status
20	Interest in Joint Ventures	31	Not Applied
21	Financial Instruments: Presentation	32	Applied
22	Earnings Per Share	33	Applied
23	Interim Financial Reporting	34	Applied
24	Impairment of Assets	36	Applied
25	Provision, Contingent Liabilities and Contingent Assets	37	Applied
26	Intangible Assets	38	Applied
27	Financial Instruments: Recognition & Measurement	39	Applied
28	Investment Property	40	Not Applied
29	Agriculture	41	Not Applied

SL. No.	Name of the BFRS/IFRS	BFRS/ IFRS No	Compliance status
1	First-time Adoption of Bangladesh Financial Reporting Standards	1	Not Applied
2	Share based payment	2	Not Applied
3	Business Combinations	3	Not Applied
4	Insurance Contracts	4	Not Applied
5	Non-Current Assets held for sale and discontinued operations	5	Not Applied
6	Exploration for and evaluation of mineral resources	6	Not Applied
7	Financial Instruments: Disclosures	7	Applied
8	Operating Segments	8	Not Applied
9	Financial Instruments	9	Applied
10	Consolidated Financial Statements	10	Not Applied
11	Joint Arrangements	11	Not Applied
12	Disclosure of Interests in Other Entities	12	Not Applied
13	Fair Value Measurement	13	Not Applied

d) The financial statements are in compliance with the Bangladesh Financial Reporting Standards (BFRS) which are adopted from the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

2.01.10 Standards, amendments or interpretations which became effective during the year

During the year certain amendments to Standards and new interpretations became effective however they did not have any material effect on the financial statements of the Company.

2.01.11 New/revised accounting standards, amendments to published accounting standards, and Interpretations that are not yet effective

The following new standards, amendments and interpretations of approved accounting standards are only effective for annual periods beginning from the dates specified below and have not been early adopted by the company.

- Amendments to IAS 12: income tax, deferred tax on investment property (effective for annual periods beginning on after1 January 2012). The 2010 amendment provides an exception to the measurement principle in respect of investment property measured using the fair value model in accordance with IAS 40 Investment property. The measurement of deferred tax assets and liabilities, in this limited circumstance, is based on a rebuttable presumption that the carrying amount of the investment property will be recovered entirely through sale. The presumption can be rebutted only if the investment property is depreciable and held within a business model whose objective is to consume substantially all of the asset's economic benefits over the life of the asset. The amendment has no impact on financial statements of the Company.

- IAS 19: (Amendment) regarding defined benefit plans (effective for periods beginning on or after July 1, 2014) amendments that require actuarial gains and losses to be recognized immediately in other comprehensive income; this change will remove the corridor method and eliminate the ability for entities to recognize all changes in the defined benefit obligation and in plan assets in profit or loss, which currently is allowed under IAS 19: and that the expected return on plan assets recognized in profit or loss is calculated based on the rate used to discount the defined benefit obligation. The Company is yet to assets the full impact of the amendment.

- Presentation of items of Other Comprehensive income {Amendments to IAS-1) (effective for annual periods beginning on or after 1 July 2012). The amendments require that an entity present separately the items of other comprehensive income that would be reclassified to profit or loss in the future it certain conditions are met from those that would never be reclassified to profit or loss. The amendments do not address which items are presented in other comprehensive income or which items need to be reclassified. The requirements of other IFRS's continue to apply in this regard. The amendments have no impact on financial statements of the Company.

- Offsetting Financial Assets and Financial Liabilities Amendments to IAS 32: Financial Instruments-Presentation (effective for annual periods beginning on or after 1 January 2014). The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 Financial Instruments: Presentation. The amendments clarify the meaning of 'currently has a legally enforceable right of set-off'; and that some gross settlement systems may be considered equivalent to net settlement.

- Offsetting Financial Assets and Financial Liabilities Amendments to IFRS 7: Financial Instruments-Disclosures (effective for annual periods beginning on or after 1 January 2013). The amendments to IFRS 7 contain new disclosure requirements for financial assets and liabilities that are offset in the statement of financial position or subject to master netting agreement or similar arrangement.

- Annual Improvements 2009-2011 (effective for annual periods beginning on or after 1 January 2013). The new cycle of improvements contains amendments to the following three standards, with consequential amendments to other standards and interpretations.

- IAS 1: Presentation of Financial Statements is amended to clarify that only one comparative period -which is the preceding period -is required for a complete set of financial statements. If an entity presents additional comparative information, then that additional information need not be in the form of a complete set of financial statements. However, such information should be accompanied by related notes and should be in accordance with IFRS. Furthermore, it clarifies that the 'third statement of financial position', when required, is only required if the effect of restatement immaterial to statement of financial position.

- IAS 16: Property, Plant and Equipment are amended to clarify the accounting of spare parts, stand-by equipment and servicing equipment. The definition of 'property. Plant and equipment in IAS 16 is now considered in determining whether these items should be accounted for under that standard. If these items do not meet the definition, then they are accounted for using IAS 2 Inventories.

- IAS 32: Financial Instruments: Presentation - is amended to clarify that IAS 12- Income Taxes applies to the accounting for income taxes relating to distributions to holders of an equity instrument and transaction costs of an equity transaction. The amendment removes a perceived inconsistency between IAS 32 and IAS 12.

3.00 SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies have been selected and applied for significant transactions and events that have a material effect within the framework for the preparation and presentation of financial statements.

3.01 Fixed Assets

3.01.1 Recognition and Measurement

Fixed assets are accounted for according to BAS 16 "Property, Plant and Equipment" at Historical cost less cumulative depreciation except land and land development which consider at revalued and includes expenditures that are directly attributable to the acquisition of the assets. The cost of self constructed/installed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the assets to the working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

3.01.2 Depreciation

Depreciation is recognized in statement of profit or loss and other comprehensive income on diminishing balance method over the estimated useful lives of fixed assets. Depreciation is charged on addition form the month of acquisition /addition and no depreciation is charged in the month of disposal. Depreciation is provided on a diminishing balance method at the rate(s) shown below:

Category	Rate
Land & Land Development	-
Building & Other Const.	5%
Plant & Machinery	10%
Laboratory Equipment	10%
Other Machinery	10%
Electrical Equipment	15%
Office Equipment	15%
Gas Line Equipment and Installation	20%
Furniture & Fixture	10%
Transport & Vehicle	20%
Fire Fighting Equipment	15%
Other Assets	15%
Software Development	15%
Computer and Accessories	20%

3.01.3 Inventories

3.01.3.1 Valuation of Inventories

Inventories are measured at lower of cost and ex-factory net realizable value in compliance with "BAS 2: Inventories". The cost of inventories is based on weighted average principle and includes expenditure for acquiring the inventories and bringing them to their existing location and condition. Net realizable value is estimated upon selling price in the ordinary course of business less estimated cost of completion. When the inventories are used, the carrying amounts of those inventories are recognized as expense in the year in which the related revenue is recognized. According to the requirement of BAS-2, Inventories are valued at the lower of cost or net realizable value.

Category	Valuation
Finished goods	Finished goods are valued at cost or net realizable value whichever is lower.
Raw materials	Raw materials are valued at cost or net realizable value whichever is lower.
Store items	Based on weighted average method.

3.01.3.2 Leased assets

The leased liability is considered as a capital lease. So the interest expense on Lease liability is charge to Statement of profit or loss and other comprehensive income under finance cost.

2.01.3.3 Revenue Recognition

Revenue from net sales of the company represents invoiced value of sale of finished goods, which are recognized after considering the conditions, set in paragraph 14 of BAS 18: "Revenue". Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

3.01.3.4 Foreign Currency Transaction/Translation

Foreign currency transactions are translated into Bangladeshi Taka at the exchange rates ruling at the transaction dates according to BAS 21: The effect of changes in Foreign Exchange Rates". Monetary assets and liabilities denominated in the foreign currencies are translated at prevailing rates on the balance sheet (financial position) date. Non monetary assets and liabilities denominated in foreign currencies, which are related at historical cost, are translated into Bangladesh Taka at the exchange date ruling at the date of transactions. Foreign exchange fluctuation gain/losses are charged to Statement of profit or loss and other Comprehensive Income for the respective period.

3.01.3.5 Financial Expenses

Financial costs comprise of interest expense on short term loan. The costs are charged to revenue except those are capitalized in accordance with BAS 23: Borrowing Costs.

3.01.3.6 Financial Instruments

Non-derivative financial instruments comprise trade receivables, trade payables, cash and cash equivalents and share capital.

Trade Receivables

Trade receivables are recognized initially at invoice value and subsequently measured at the remaining amount less allowance for doubtful receivable at the year end, if any. Receivables from foreign currency transactions are recognized in Bangladeshi Taka using exchange rates prevailing on the date of transaction.

Trade Payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company, whether or not billed by the suppliers

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and with banks on current and deposit accounts and short term investments which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effect.

3.01.3.7 Taxation

3.01.3.7.1 Current Tax

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate and incompliance with Finance Act. 2017.

3.01.3.7.2 Deferred Tax

The company has decided to adopt policy of recognition of deferred tax in accordance with the Bangladesh Accounting Standard 12 (BAS-12), deferred tax is provided using the liability method for temporary difference between the carrying value of fixed assets as per accounts and the corresponding income tax written down value. Deferred tax is calculated at the effective income tax rate prevailing at the statement of financial position date.

3.01.3.7.3 Provisions

As per "BAS 37: Provisions, Contingent Liabilities and Contingent Assets' a provision recognized on the date of statement of financial position if, as a result of past even Company has a present obligation that can be estimated reliably, and it is probable the outflow of economic benefits will be required to settle the obligation.

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

3.01.3.7.4 Contingencies

Contingencies arising from claim, litigation assessment, fines, penalties etc are recorded it is probable that a liability has been incurred and the amount can be measured reliably accordance with "BAS 37: Provisions, Contingent Liabilities and Contingent Assets".

3.01.3.7.5 Earning Per Share (EPS)

The company calculates Earning per Share (EPS) in accordance with BAS 33 "Earning per Share" which has been shown on the face of statement of profit or loss and other Comprehensive Income and the computation of EPS is stated in Note-33 of the financial statements.

Basic Earnings

This represents earnings for the period attributable to the ordinary shareholders. As there no preference dividend, minority interest or extra ordinary items, the net profit for the year has been considered as fully attributable to ordinary shareholders. Basic earnings per has been calculated by dividing the net profit or loss by the number of ordinary share outstanding during the year.

Diluted Earnings per Share (DEPS)

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding, for the effect of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there were no potential ordinary shares during the relevant period.

3.01.3.7.6 Contingent Liabilities and Assets

Contingent liabilities are current or possible obligations, arising from past events and whose existence is due to the occurrence or non- occurrence of one or more uncertain future events, which are not within the control of the company. In accordance with BAS 37 provisions, contingent liabilities and contingent assets are disclose in the financial statements.

3.01.3.7.7 Worker's profit participation & welfare funds

The company contributed 5% of net profit before charging the amount to the aforementioned fund in accordance with the requirement of Section 234 of Labour Act. 2006 (Amendment-2013).

3.01.3.7.8 Segment Reporting

No segmental reporting is applicable for the company as required by "BFRS-08: Operating Segment" as the company operates in a single industry segment and within as geographical segment.

3.01.3.7.9 Event after Statement of Financial Position Date

In compliance with the requirements of "BAS-10: Event After the reporting period" that provide additional information about the company's position at the date of the financial position are reflected in the financial statements but the company has no such event to report in the current financial year.

3.01.3.7.10 Going Concern

The company has adequate resources to continue its operations for foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the accounts. The resources of the company are sufficient to meet the present obligation of its existing businesses and operations.

3.01.3.7.11 Related Party Disclosures

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by BAS 24: Related Party Disclosures has been disclosed in a separate note-36 to the accounts.

3.01.3.7.12 Financial Risk Management Policies

The company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The company does not hold or issue derivative financial instruments for speculative or trading purposes.

Interest Rate Risk

The company has no significant risk of fluctuations in interest rates.

Foreign Currency Risk

The company is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. The company primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

Credit Risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity Risk

The company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the company operations and to mitigate the effects of fluctuations in cash flows.

Fair Values

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair value of trade and other short-term receivables are taken to approximate their carrying value. The fair value of financial assets and liabilities approximate their carrying value.

3.01.3.7.13 General

i) Comparative figures have been re-arranged where considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

ii) Figures for the year 2016 have been rearranged wherever considered necessary to ensure comparability with the current year.

Notes	Particulars	Amount in Taka	
		30 June 2017	30 June 2016
4.00	**FIXED ASSETS**		
	Fixed Assets at cost :		
	Opening Balance	8,226,664,564	8,197,713,398
	Addition during the year	10,469,164	28,951,166
	Adjustment during the year	-	-
	Closing Balance	**8,237,133,728**	**8,226,664,564**
	Accumulated Depreciation :		
	Opening Balance	4,964,074,075	4,726,532,083
	Charged during the year	216,293,481	237,541,992
	Closing Balance	**5,180,367,555**	**4,964,074,075**
	Written Down Value as on 30 June 2017	**3,056,766,173**	**3,262,590,489**
	Revaluation:		
	Opening Value of Revaluated Assets	930,412,763	930,412,763
	Addition during the year	-	-
	Less: Accumulated Depreciation this period on Revaluated Assets	249,070,619	213,632,722
	Written Down Closing Value of Revaluated Assets	**681,342,144**	**716,780,041**
	Written Down Value as on 30 June 2017	**3,738,108,317**	**3,979,370,530**
	Details shown in Annexure-A		
5.00	**INVESTMENT**		
	Opening balances	197,168,428	181,795,464
	Add: Encashed during the year	(44,361,565)	15,372,964
		152,806,863	**197,168,428**
6.00	**STOCK OF GOODS MATERIALS & STORES**	**9,959,332,466**	**8,274,569,142**
	Cosmetics	1,461,201,055	1,214,018,028
	Knit Composite Division	3,810,809,317	3,166,156,496
	Cotton Division	2,446,445,092	2,032,593,965
	Spinning Division	2,240,877,002	1,861,800,653
	Stock and Stores have been taken valued and certified by the management and consist of the following:		
6.01	**Details of Stock of Goods Materials & Stores**	**9,959,332,466**	**8,274,569,142**
	Raw & Packing Materials (Note-6.01(a)	1,987,089,895	620,515,656
	Work in Process (Note-6.01(b)	622,156,885	430,048,741
	Finished Stock (Note-6.01(c)	404,588,958	106,185,282
	Spare Parts & Garments Stock	6,945,496,728	7,117,819,463

Notes	Particulars	Amount in Taka	
		30 June 2017	30 June 2016
6.01(a)	**Raw & Packing Materials**	**1,987,089,895**	**620,515,656**
	Raw Materials	1,876,235,040	546,361,640
	Packing Materials	110,854,855	74,154,016
6.01(b)	**Work in Process**	**622,156,885**	**430,048,741**
6.01(c)	**Finished Stock**	**404,588,958**	**106,185,282**
7.00	**MATERIAL IN TRANSIT**	**613,556,645**	**454,808,007**
	Cosmetics	42,548,536	36,872,658
	Knit Composite Division	280,860,999	168,350,869
	Cotton Division	65,289,585	42,245,981
	Spinning Division	224,857,525	207,338,500
8.00	**LOAN, ADVANCES AND DEPOSIT**	**1,604,347,904**	**1,573,991,884**
	Advance Income Tax (Note -8.01)	505,146,638	422,136,601
	Cosmetics (Note-8.02)	276,374,052	276,691,709
	Knit Composite Division	472,542,558	498,521,893
	Cotton Division	169,658,582	171,796,395
	Spinning Division	180,626,075	204,845,286
8.01	**Advance Income Tax**	**505,146,638**	**422,136,601**
	Opening balances	422,136,601	323,665,292
	Add: Addition during the year	83,010,037	98,471,309
8.02	**Cosmetics**	**276,374,052**	**276,691,709**
	VAT Current Account (Note-8.03)	541,398	1,387,781
	SD Current Account (Note-8.04)	16,533	91,542
	VAT Payment under Sub-Judicial	3,212,239	3,212,239
	Advance against Land Purchases	250,000,000	250,000,000
	Advance against Expenses	15,265,825	15,203,414
	Advance Salary	758,485	641,499
	Advance against House Rent	108,000	108,000
	Prepaid Insurance	1,386,456	1,386,456
	Margin Deposits A/C	1,965,858	1,541,520
	Deposit with Rural Electrification Board (REB)	211,306	211,306
	Security Deposit to CDBL	300,000	300,000
	Deposit against TNT	10,000	10,000
	Deposit with BOC	24,000	24,000
	Deposit with TGTDCL (Titas Gas)	2,573,952	2,573,952
8.03	**VAT Current Account**	**541,398**	**1,387,781**
	Opening balances	1,387,781	9,837,760
	Paid through challan	106,580,000	129,649,280
	Paid on purchase	95,514,264	142,728,874
	Paid on Export (DEDO)	7,987,294	2,514,879
	Paid on Advertisement	(94,883)	1,115,923
	Less : Adjusted during the year	(210,833,058)	(284,458,935)
8.04	**SD Current Account**	**16,533**	**91,542**
	Opening balances	91,542	399,959
	Paid through challan	5,420,000	5,200,096
	Adjustment during the year	(31,740)	294
	Less :Adjusted during the year	(5,463,269)	(5,508,807)

Notes	Particulars	Amount in Taka	
		30 June 2017	30 June 2016
9.00	**CURRENT ACCOUNT WITH SISTER CONCERN**	**1,968,754,257**	**1,975,842,103**
	Keya Yarn Mills Limited	1,968,754,257	1,975,842,103
10.00	**TRADE RECEIVABLE**	**9,968,454,576**	**7,586,676,525**
	Division wise receivable		
	Cosmetics (Note-10.01)	933,461,888	820,506,845
	Knit Composite Division	4,958,958,455	3,268,752,364
	Cotton Division	1,985,987,525	1,787,228,413
	Spinning Division	2,090,046,708	1,710,188,903
	No amount was due by the directors, managing agent, managers and other officers of the company and any of them severally or jointly with any other person. Considered good. No provisions has made against the debtors.		
10.01	**Cosmetics**	**933,461,888**	**820,506,845**
	Receivable from Export	728,782	20,630,945
	Receivable from Distributor	932,733,106	799,875,900
11.00	**OTHER RECEIVABLE**	**587,836,673**	**417,923,646**
	Division wise breakup:		
	Cosmetics	4,251,455	3,269,471
	Knit Composite Division	583,585,218	414,654,175
12.00	**CASH AND BANK BALANCES**		
	A. Cash in Hand:	**3,970,081**	**1,005,703**
	Cosmetics	2,620,412	126,567
	Knit Composite Division	252,552	13,388
	Cotton Division	554,552	456,942
	Spinning Division	542,565	408,805
	B. Cash at Bank:	**41,356,461**	**36,722,769**
	Cosmetics (Note-12.1.01)	5,345,452	4,762,646
	Knit Composite Division	7,236,719	2,401,956
	Cotton Division	51,156	560,495
	Spinning Division	28,723,134	28,997,673
	Total (A+B)	**45,453,174**	**37,728,472**

12.1.01	**Cash at Bank**			**5,345,452**	**4,762,646**
	Megna Bank Ltd.	CD A/c	110111100000514	7,695	9,195
	Bank Asia Ltd.	CD A/c	00833007207	1,185,784	372,164
	DBBL	CD A/c	011611000000339	82,288,923	2,333,891
	Dhaka Bank Ltd.	CD A/c	023100000004444	256	259,964
	One Bank Ltd.	CD A/c	00118376008	29,565	30,865
	Premier Bank Ltd.	CD A/c	010411100012791	59,224	10,302
	UNION Bank Ltd.	CD A/c	2613	93,528	94,828
	SEBL	CD A/c	11100011624	13,531	62,210
	Sonali Bank Limited	CD A/c	7687	86,651	820,213
	SEBL	STD A/c	001013100001599	1,577,142	767,255
	Standard Bank Ltd.	CD A/c	00933007895	3,153	1,760

Notes	Particulars	Amount in Taka	
		30 June 2017	30 June 2016
13.00	**SHARE CAPITAL**		
	Authorized Share Capital :		
	1000,000,000 Ordinary Shares @ Tk. 10.00 each	**10,000,000,000**	**7,500,000,000**
	Issued, Subscribed & Paid up Capital		
	835,088,883 Ordinary Shares @ Tk. 10.00 each	**8,350,888,830**	**7,077,024,440**

a. Composition of Share Holders : **Amount in Taka**

Particulars	No of Share	% of Holding	30 June 2017	30 June 2016
Mr. Abdul Khaleque Pathan	306,491,259	36.70	3,064,912,590	2,597,383,560
Mrs. Feruza Begum	38,429,110	4.60	384,291,100	325,670,430
Mrs. Khaleda Pervin	17,705,800	2.12	177,058,000	150,049,160
Mrs. Tansin Keya	19,412,339	2.32	194,123,390	164,511,360
Mr. Masum Pathan	13,883,433	1.66	138,834,330	117,656,220
Khaleque & Co. (Pvt.) Ltd.	3,636,914	0.44	36,369,140	30,821,310
Keya Yarn Mills Ltd.	124,407,193	14.90	1,244,071,930	1,134,864,590
Keya Sweaters Ltd.	255,819	0.03	2,558,190	2,167,960
General Public	310,867,016	37.23	3,108,670,160	2,553,899,850
Total	**835,088,883**	**100.00**	**8,350,888,830**	**7,077,024,440**

14.00	**SHARE PREMIUM**		
	Opening balances	4,615,642	799,946,592
	Less: Adjusted to stock dividend during the year	-	795,330,950
		4,615,642	**4,615,642**
15.00	**REVALUATION RESERVE**	**468,576**	**468,576**
	Cosmetics	468,576	468,576
16.00	**TAX HOLIDAY RESERVE**	**45,744,731**	**45,744,731**
	Cosmetics	45,744,731	45,744,731
17.00	**RETAINED EARNINGS**	**1,726,853,847**	**1,325,679,171**
	Opening Balance	1,325,679,171	384,173,124
	Net profit/ (Loss) for the year	1,675,039,066	1,325,679,167
	Dividend Declared (Bonus Share)	(1,273,864,390)	(384,173,120)
18.00	**LONG TERM LOAN**	**8,598,513,232**	**8,359,000,194**
	Cosmetics	304,625,000	-
	Knit Composite Division (Note-18.01)	2,786,781,791	2,752,647,540
	Cotton Division (Note-18.02)	2,815,317,694	2,989,785,158
	Spinning Division (Note-18.03)	2,691,788,747	2,616,567,496
18.01	**Knit Composite Division**	**2,786,781,791**	**2,752,647,540**
	Dutch Bangla Bank Ltd.,Gulshan Br.	3,421,409	22,252,884
	Southeast Bank Limited	864,688,443	906,601,175
	National Bank Limited	336,130,517	355,902,900
	Pubali Bank Limited	1,582,541,422	1,467,890,581

Notes	Particulars	Amount in Taka	
		30 June 2017	30 June 2016
18.02	**Cotton Division**	**2,815,317,694**	**2,989,785,158**
	Southeaset Bank Limited, Gulshan Branch	746,464,500	787,231,195
	National Bank Limited, Gulshan Branch	1,783,155,859	1,888,047,378
	Union Capital Limited, Main Office	285,697,335	264,121,876
	Pubali Bank Limited, Principal Branch	-	50,384,709
18.03	**Spinning Division**	**2,691,788,747**	**2,616,567,496**
	Standard Bank Gulshan Branch	137,985,246	126,084,197
	National Bank Limited, Gulshan Branch	401,361,038	270,153,493
	National Bank Limited, Gulshan Branch	-	154,817,017
	Pubali Bank Limited, Principal Branch	366,644,091	340,083,979
	Bank Asia Ltd., MCB Dilkusha Br.	166,612,497	156,165,969
	Souteast Bank Limited, Gulshan Branch	1,203,821,241	1,183,921,607
	Social Islami Bank Ltd, Uttara Branch	415,364,634	385,341,234

The above long term loans are secured by registered mortgage of the factory land and land development and building and other civil works and plant and machinery. The rate of interest is varied from 13% to 15%.

18.04	**Demand on Long Term Liabilities**		
	Repayable within one year	822,793,997	836,050,450
	Repayable more than one year	7,775,719,235	7,522,949,744
		8,598,513,232	**8,359,000,194**
19.00	**DEFERED TAX LIABILITY**		
	Opening balances	186,161,469	183,305,045
	Add/Less: Adjusted during the year	1,789,395	2,856,424
		187,950,864	**186,161,469**
19.01	**Defered Tax**		

Deferred tax assets and liabilities have been recognized and measured in accordance with the provision of BAS - 12:"Income Tax". Related deferred tax expenses/income have been recognized in the statement of comprehensive statement.

Carrying amount as on Balance Sheet date	3,738,108,317	3,979,370,530
Less: Tax based as on Balance Sheet date	3,666,532,512	3,865,113,575
Taxable Temporary Difference	**71,575,805**	**114,256,955**
Deferred Tax Liability (25 %)	17,893,951	28,564,239
Deferred tax expenses/(income)	**1,789,395**	**2,856,424**
20.00 BANK LOAN & OVERDRAFTS (SHORT TERM LOAN)	**6,344,520,762**	**4,201,428,984**
Cosmetics (Note-20.01)	405,324,986	350,486,690
Knit Composite Division (Note-20.02)	1,312,453,108	649,072,702
Cotton Division (Note-20.03)	877,979,663	814,315,555
Spinning Division (Note-20.04)	3,748,763,005	2,387,554,036

Notes	Particulars	Amount in Taka	
		30 June 2017	30 June 2016
20.01	**Cosmetics**	**405,324,986**	**350,486,690**
	CC Loans CC(P) 556 Sonali Bank Ltd, BBA Branch	99,212,297	35,642,095
	CC Hypo CC(H) 548 Sonali Bank Ltd, BBA Branch	35,649,595	99,197,297
	CC Hypo CC(H) A/c-000-523-00, Premier Bank Ltd, Banani Branch	53,963,848	51,495,271
	SOD A/C No. 00970201949 Standard Bank	11,170,960	9,930,323
	LTR- Premier Bank Ltd.	116,204,988	82,372,051
	LTR- Standard Bank Ltd.	89,123,298	71,849,652
20.02	**Knit Composite Division**	**1,312,453,108**	**649,072,702**
	FDBP	-	-
	Pubali Bank Ltd.-CC (Hypo)	135,489,532	125,664,951
	LIM / TR / LTR / TL / DL / PAD/ Cash Incentive Loan	-	52,772,175
	Time Loan SEBL	256,789,835	-
	EDF Loan -SEBL	712,834,912	330,664,816
	FBPN/FDBP-SEBL (EXPORT)	87,320,277	34,765,697
	PAD	6,036,479	5,597,972
	PSC Pubali Bank Ltd. & Southeast Bank Ltd.	113,982,073	99,607,092
20.03	**Cotton Division**	**877,979,663**	**814,315,555**
	Pubali Bank Limited CC (Hypo)	68,372,352	63,407,484
	Pubali Bank Limited (Short Term Loan)	809,607,311	750,908,071
20.04	**Spinning Division**	**3,748,763,005**	**2,387,554,036**
	Pubali Bank Ltd. (LTR & PAD)	1,102,577,155	1,022,607,935
	South East Bank Ltd.- Gulshan branch	2,577,788,622	1,301,515,543
	Pubali Bank Ltd. (Hypo)	68,397,228	63,430,559
21.00	**TRADE PAYABLE**	**101,987,451**	**74,586,124**
	Division wise breakup:		
	Cosmetics (Note-21.01)	33,752,482	27,298,455
	Knit Composite Division	60,125,455	39,606,784
	Cotton Division	1,854,692	1,539,393
	Spinning Division	6,254,822	6,141,492
21.01	**Cosmetics**	**33,752,482**	**27,298,455**
	Creditors for Advertisement	3,956,895	3,455,574
	Creditors for Materials	25,352,704	20,231,898
	Creditors for Transport Expenses	1,896,558	1,575,885
	Creditors for Others	2,546,325	2,035,098
22.00	**OUTSTANDING LIABILITIES**	**47,679,846**	**35,068,374**
	Division wise breakup:		
	Cosmetics (Note-22.01)	7,252,469	5,048,103
	Knit Composite Division	32,584,024	22,744,246
	Cotton Division	5,326,895	5,348,842
	Spinning Division	2,516,458	1,927,183

Notes	Particulars	Amount in Taka	
		30 June 2017	30 June 2016
22.01	**Cosmetics**	**7,252,469**	**5,048,103**
	Wages & Salary	4,548,754	2,788,323
	Directors Remuneration	788,569	768,622
	Audit Fee	100,000	46,473
	Gas Bill	1,125,458	855,484
	Advertisement	589,688	548,790
	Office Rent	100,000	40,411
23.00	**PROVISION FOR INCOME TAX**		
	Opening balances	420,034,625	317,105,530
	Add: Provision for the year	142,324,742	167,850,438
	Less: Adjusted /payment during the year	(95,759,401)	(64,921,343)
		466,599,966	**420,034,625**
24.00	**UNCLAIMED DIVIDEND**	**7,936,784**	**7,936,784**
	Cosmetics (Note-24.01)	4,000,384	4,000,384
	Cotton Division	3,936,400	3,936,400
24.01	**Cosmetics**	**4,000,384**	**4,000,384**
	Opening Balance	4,000,384	4,000,384
25.00	**WORKERS PROFIT PARTICIPATION AND WELFARE FUND**		
	Opening balances	55,341,611	25,186,919
	Add: Addition during the year	91,707,067	74,819,301
	Less: Adjusted /payment during the year	(97,146,346)	(44,664,609)
		49,902,332	**55,341,611**
26.00	**TURNOVER**	**10,406,605,367**	**9,267,999,144**
	Sales (Local)	1,405,553,720	2,196,966,284
	Sales (Export)	9,217,347,974	7,361,000,602
	Gross Turnover	**10,622,901,694**	**9,557,966,886**
	Less: VAT (Note-8.03)	(210,833,058)	(284,458,935)
	Less: Suplimentary Duty (Note-8.04)	(5,463,269)	(5,508,807)
27.00	**COST OF GOODS SOLD**	**7,421,611,733**	**6,840,200,428**
	Raw, Packing and Spare Parts Consumed (Note-27.01)	6,740,466,858	5,722,750,338
	Manufacturing Overhead (Note-27.02)	1,171,656,695	1,127,477,016
	Add: Opening Work in Progress	430,048,741	422,007,351
	Less: Closing Work in Progress	622,156,885	430,048,741
	Cost of Goods Manufacture	**7,720,015,409**	**6,842,185,964**
	Add: Opening Finished Stock	106,185,282	104,199,746
	Less: Closing Finished Stock	404,588,958	106,185,282
	COST OF GOOD SOLD	**7,421,611,733**	**6,840,200,428**

Notes	Particulars	Amount in Taka	
		30 June 2016	30 June 2015
27.01	**Raw and Packing Material Consumed**	**6,740,466,858**	**5,722,750,338**
	Opening Stock	620,515,656	608,912,765
	Local Purchase	2,200,254,652	1,915,551,234
	Import Purchase	5,906,786,445	3,818,801,995
	Goods Available for use	**8,727,556,753**	**6,343,265,994**
	Less: Closing Stock	1,987,089,895	620,515,656
27.02	**Manufacturing Overhead**	**1,171,656,695**	**1,127,477,016**
	Fuel Oil & Lubricant	28,585,683	26,967,625
	Salary and Wages	565,275,788	528,295,129
	Repairs & Maintenance including Spare Part & Stationary	74,822,161	71,944,386
	Utility Charges-Gas	124,051,270	112,773,882
	Labour Charges & Overtime	130,470,907	123,085,761
	Insurance Premium	26,481,631	25,220,601
	Generator Overhauling Charges	4,655,055	4,433,386
	Others Expenses	28,515,667	27,157,778
	Depreciation (Annex.-A)	188,798,533	207,598,468
28.00	**ADMINISTRATIVE EXPENSES**	**165,887,575**	**202,600,289**
	Salary & Allowances	42,213,565	52,435,358
	Directors Remuneration	22,452,545	25,435,525
	AGM Expenses	2,476,818	2,428,253
	Conveyance	220,194	215,876
	Depreciation (Annex.-A)	62,932,844	69,199,489
	Entertainment	407,867	395,987
	Fees & Forms	1,584,855	8,995,225
	Repairs & Maintenance-Office & Vehicle	4,461,067	5,276,939
	Medical Expenses	905,340	878,971
	Misc Expenses	413,803	401,750
	Postage & Courier	745,904	724,179
	IPO Expenses	-	6,100,000
	Rates and Taxes	4,154,858	4,422,727
	Business Development Expenses	7,821,545	8,490,214
	IT expenses	458,485	986,543
	Trade Show	220,213	213,799
	Freight	2,504,425	2,431,481
	Carriage outward	3,562,892	4,466,207
	Donation	2,856,582	3,537,605
	Stationery	305,541	296,642
	Merger Expenses/Audit- legal	1,925,658	2,050,881
	C&F expenses	320,145	310,820
	Telephone / Fax / Email Expenses	388,956	377,627
	Others Expenses	2,553,473	2,528,191
29.00	**MARKETING, SELLING AND DISTRIBUTION EXPENSES**	**182,624,751**	**220,078,740**
	Salary & Allowances	69,586,585	89,493,530
	Advertisement	38,254,582	53,923,690
	Distribution Expenses	14,862,762	16,818,105
	Marketing Meeting Expenses	186,034	186,015
	Carriage Outward	44,203,723	44,203,281
	C&F Expenses (Export)	7,767,296	7,767,218
	Sample and Gift	863,940	855,386
	Repairs & Maintenance of Vehicles	1,434,243	1,420,043
	Other Marketing Expenses	5,465,587	5,411,472

Notes	Particulars	Amount in Taka	
		30 June 2016	30 June 2015
30.00	**FINANCIAL EXPENSES**	**884,832,907**	**1,022,683,668**
	Bank Charge	14,021,542	14,436,137
	Rate Fluctuation-Foreign Exchange	55,148,765	54,660,172
	Interest on Bank Loan	815,662,600	953,587,359
31.00	**NON OPERATING INCOME**	**159,211,869**	**588,769,311**
	Income from DEDO	7,987,294	16,021,042
	Dividend Income from CDBL	1,142,362	1,427,953
	Other Income	51,854,558	204,509,538
	Wastage Sales	98,227,655	366,810,778
32.00	**EARNING PER SHARE (EPS)**	**2.01**	**1.87**
	Earning attributable to the shareholders (Net Profit after Tax)	1,675,039,066	1,325,679,167
	Number of ordinary shares outstanding	835,088,883	707,702,444
	EARNING PER SHARE (EPS) (Restated)	**-**	**1.59**
33.00	**NET ASSETS VALUE (NAV) PER SHARE**	**15.37**	**15.77**
	Net Worth of the Company	12,833,559,638	11,158,520,572
	Number of ordinary shares outstanding	835,088,883	707,702,444
	NET ASSETS VALUE (NAV) PER SHARE (Restated)	**-**	**13.36**
34.00	**NET OPERATING CASH FLOW PER SHARE**	**(2.88)**	**(0.48)**
	Net Operating Cash Flow	(2,408,772,515)	(337,891,828)
	Number of ordinary shares outstanding	835,088,883	707,702,444
	NET OPERATING CASH FLOW PER SHARE (Restated)	**-**	**(0.40)**
35.00	**NUMBER OF ORDINARY SHARES**	**835,088,883**	**707,702,444**
	Number of ordinary shares outstanding	835,088,883	707,702,444
36.00	**RELATED PARTY TRANSACTION (BAS -24)**	**5,000,000**	**5,000,000**
	Investment in Shares (Keya Sweaters Ltd.)	**5,000,000**	**5,000,000**

37.00 Employee Position of Keya Cosmetics Limited as per requirement of schedule XI, part II, Para 3

Salary Range (Monthly)	Total	Officer & worker	
		Head Office	Factory
For the year ended 30 June 2016	**5235**	**107**	**5128**
Below 5,999	3160	12	3,148
Above 5,999	1765	94	1,671
For the year ended 30 June 2017	**4925**	**106**	**4,819**

Schedule of Fixed Assets

FOR THE YEAR ENDED 30 JUNE, 2017

Annexure -A
Amount in Taka

Sl No.	Particulars	Cost			Rate	Depreciation			
		Balance as on 01.07.2016	Addition during the period	Balance as on 30.06.2017		Balance as on 01.07.2016	Charge during the period	Balance as on 30.06.2017	Written down Value as on 30.06.2017
01	Land & Land Development	1,055,966,732	-	1,055,966,732	-	-	-	-	1,055,966,732
02	Building & Other Const.	942,310,210	-	942,310,210	5%	672,059,389	13,512,541	685,571,931	256,738,279
03	Plant & Machinery	5,615,465,975	4,180,517	5,619,646,492	10%	3,831,984,383	178,348,160	4,010,332,543	1,609,313,949
04	Laboratory Equipment	1,326,579	90,540	1,417,119	10%	307,507	101,907	409,414	1,007,705
05	Other Machinery	12,670,869	-	12,670,869	10%	8,501,009	416,986	8,917,995	3,752,874
06	Electrical Equipment	160,713,460	2,349,672	163,063,132	15%	142,891,277	2,673,327	145,564,604	17,498,528
07	Office Equipment	23,498,215	1,546,140	25,044,355	15%	17,698,602	869,942	18,568,544	6,475,811
08	Gas Line Equipment and	28,030,865	-	28,030,865	20%	24,647,123	676,748	25,323,871	2,706,994
09	Furniture & Fixture	35,358,227	1,490,500	36,848,727	10%	20,259,727	1,509,850	21,769,577	15,079,150
10	Transport & Vehicle	218,407,657	-	218,407,657	20%	172,094,455	9,262,641	181,357,095	37,050,562
11	Fire Fighting Equipment	98,900	-	98,900	15%	91,406	1,124	92,530	6,370
12	Other Assets	80,254,664	381,167	80,635,831	15%	51,968,041	4,242,993	56,211,034	24,424,797
13	Software Development	51,763,175	-	51,763,175	15%	21,344,184	4,562,849	25,907,033	25,856,142
14	Computer and Accessories	799,036	430,628	1,229,664	20%	226,972	114,413	341,385	888,279
	Total (A)	**8,226,664,564**	**10,469,164**	**8,237,133,728**		**4,964,074,075**	**216,293,481**	**5,180,367,555**	**3,056,766,173**

Schedule of Revalued Fixed Assets

FOR THE YEAR ENDED 30 JUNE, 2017

Amount in Taka

Sl No.	Particulars	Cost			Rate	Depreciation			
		Balance as on 01.07.2016	Addition during the period	Balance as on 30.06.2017		Balance as on 01.07.2016	Charge during the period	Balance as on 30.06.2017	Written down Value as on 30.06.2017
01	Land & Land Development	341,970,705	-	341,970,705		-	-	-	341,970,705
02	Building & Other Const.	55,282,579	-	55,282,579	5%	14,421,842	2,043,037	16,464,879	38,817,700
03	Plant & Machinery	533,159,479	-	533,159,479	10%	199,210,880	33,394,860	232,605,740	300,553,739
05	**Total (B)**	**930,412,763**	-	**930,412,763**		**213,632,722**	**35,437,897**	**249,070,619**	**681,342,144**
Balances as on 30.06.2017(A+B)		**9,157,077,327**	**10,469,164**	**9,167,546,491**		**5,177,706,797**	**251,731,377**	**5,429,438,174**	**3,738,108,317**
Balances as on 30.06.2016		**9,128,126,161**	**28,951,166**	**9,157,077,327**		**4,900,908,840**	**276,797,957**	**5,177,706,797**	**3,979,370,530**

Depreciation Expense has been allocated as follows;

Charged in Manufacturing Overhead	188,798,533
Charged in Administration Expense	62,932,844
Total	**251,731,377**

Keya Cosmetics Ltd.

Registered Office : Jarun, Konabari, Gazipur.

Proxy Form

I/We ……of ……of ……

being a member of Keya Cosmetics Limited hereby appoint Mr./Mrs.……of ……

as my/our proxy to attend and vote for me/us on my/our behalf at the 21st Annual General Meeting of the Company to be held on Thursday, 28th December, 2017 at 11.00 a.m. at the Factory Premises of Jarun, Konabari, Gazipur.

As witness me/our hand this _____ day of ……., 2017.

Revenue Stamp of Tk. 20.00

_____
Signature of the Proxy
Dated ……..

_____
Signature of the Shareholder
Dated ……..

BO ID/Folio No. | | | | | | | | | | | | | | | | |

Signature Verified

_____
Authorized Signatory
Keya Cosmetics Ltd.

Note: A member entitled to attend and vote at the Annual General Meeting may appoint proxy to attend and vote in his/her stead. The proxy from should reach at the Registered Office of their Company not less than 48 hours before the time fixed for the meeting.

AMAR STOCK

কেয়া কসমেটিকস্ লিমিটেড

রেজিষ্টার্ড অফিস ঃ জরুন, কোনাবাড়ী, গাজীপুর।

প্রক্সি ফরম

আমি/আমরা .....

ঠিকানা .....

.....

কেয়া কসমেটিকস্ লিমিটেড এর সদস্য হিসেবে জনাব/বেগম .....

ঠিকানা .....

.....

আমরা/আমাদের প্রতিনিধি হিসেবে আগামী ২৮শে ডিসেম্বর, ২০১৭ইং রোজ বৃহস্পতিবার সকাল ১১:০০ ঘটিকায় রেজিষ্টার্ড অফিস ও কারখানা প্রাঙ্গনে জরুন, কোনাবাড়ী, গাজীপুর অনুষ্ঠিতব্য কোম্পানীর ২১তম বার্ষিক সাধারণ সভায় এবং এর মূলতবী ঘোষিত সভায় আমরা/আমাদের পক্ষে উপস্থিত থাকিবার এবং ভোট প্রদান করিবার জন্য নিযুক্ত করিলাম।

স্বাক্ষ্য হিসেবে অদ্য ....., ২০১৭ তারিখে আমি/আমরা এই দলিলে সজ্ঞানে স্বাক্ষর করিলাম।

Revenue Stamp of Tk. 20.00

প্রতিনিধির স্বাক্ষর
তারিখ.....

সদস্যের স্বাক্ষর
তারিখ.....

ফলিও/বিওআইডি নম্বর | | | | | | | | | | | | | | | |

স্বাক্ষর পরীক্ষিত

অনুমোদনকারীর স্বাক্ষর
কেয়া কসমেটিকস্ লিঃ

বিঃ দ্রঃ বার্ষিক সাধারণ সভায় যোগদানের অধিকারী শেয়ার হোল্ডার তার পরিবর্তে বার্ষিক সাধারণ সভায় যোগদানের জন্য একজন প্রক্সি নিয়োগ করিতে পারেন। প্রক্সি ফরম যথাযথ পূরণের পর সভা অনুষ্ঠানের ৪৮ ঘন্টা পূর্বে কোম্পানীর রেজিষ্টার্ড/কর্পোরেট অফিসে জমা দিতে হইবে।

AMARSTOCK