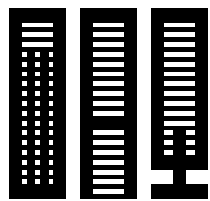


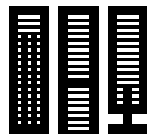
# **Annual Report**

**2021 – 22**



**MAQ ENTERPRISES LIMITED**

# **48th Annual General Meeting**



**MAQ ENTERPRISES LIMITED**

# Letter of Transmittal

Date : 23 November, 2022

The Shareholders  
Bangladesh Securities and Exchange Commission  
Registrar of Joint Stock Companies and Firms  
Dhaka Stock Exchange Limited  
Chittagong Stock Exchange Limited

Dear Sir/Madam,

## **Annual Report for the year ended on June 30, 2022.**

By the consent of the Board of Directors, I am enclosing herewith a copy of Annual Report along with 48th AGM Notice, the Chairperson's Statement, Directors' Report to the Shareholders, Audited Financial Statements including Statements of Financial Position, Statements of Profit or Loss and other Comprehensive Income, Statements of Cash Flows, Statements of Changes in Equity and notes to the Financial Statements for the year ended June 30, 2022 of MAQ Enterprises Limited for your kind information and record.

Thanking you,

Sincerely yours,

sd/-  
Md. Aktar Humayun  
Company Secretary

<b><u>TABLE OF CONTENTS</u></b>	<b>Page</b>
Letter of Transmittal	01
Corporate Information	03
Board of Directors of the Company	04
Profiles of Directors	05
<b>Notice of 48th Annual General Meeting</b>	06
Chairperson’s Statement to the Shareholders	07
Directors’ Report to the Shareholders	08
Five Year’s Financial Highlights	10
Shareholdings Information	11
Certification by the CEO & CFO to the Board (Annexure - A)	14
Management’s Discussion and Analysis (Annexure – B)	15
Audit Committee Report (Annexure – C)	18
Nomination & Remuneration Committee Report (Annexure - D)	20
Certificate on Compliance of Corporate Governance Code (Annexure - E)	22
Status of Compliance of Corporate Governance Code (Annexure - F)	23
Independent Auditor’s Report to the Shareholders	29
Statement of Financial Position	34
Statement of Profit or Loss and Other Comprehensive Income	35
Statement of Changes in Equity	36
Statement of Cash Flows	37
Notes to the Financial Statements	38
Proxy-Form & Attendance Slip	46

## **CORPORATE INFORMATION**

**Registered Office** : 42/1, Segun Bagicha  
Dhaka-1000, Bangladesh  
Tel : 880-2-58310543  
Email : maqenterpriseslimited@gmail.com  
Website : www.maqenterprisesltd.net

**Factory** : Chakda, Faridabad  
Dhaka, Bangladesh

**Listings** : Dhaka Stock Exchange Ltd.  
Chittagong Stock Exchange Ltd.

**Statutory Auditors** : M/s MABS & J Partners  
Chartered Accountants

**Corporate Governance Auditor** : M/s SARashid & Associates  
Chartered Secretaries

**Bankers** : Sonali Bank Ltd.  
First Security Islami Bank Ltd.  
Uttara Bank Ltd.

The details of latest Notice, Price Sensitive Information, Annual Report and Financial Statements of MAQ Enterprises Limited are available in the website of the company. The address of the website is **www.maqenterprisesltd.net**

## **Board of Directors of the Company**

### **Chairperson**

Mrs. Sufia Quasem

### **Managing Director & Chief Executive Officer (CEO)**

Mr. M. A. Quasem

### **Directors**

Mr. AQM Mahbubul Alom

Mr. Quasem Azam

### **Independent Director**

Mr. Md. Nur Sultan Khan

### **Company Secretary**

Mr. Aktar Humayun

### **Additional Company Secretary**

Mr. K M Abdullah Al-Zubayer

### **Audit Committee**

Mr. Md. Nur Sultan Khan, Independent Director (Chairman)

Mr. AQM Mahbubul Alom, Director (Member)

Mr. Quasem Azam, Director (Member)

### **Nomination and Remuneration Committee (NRC)**

Mr. Md. Nur Sultan Khan, Independent Director (Chairman)

Mr. AQM Mahbubul Alom, Director (Member)

Mr. Quasem Azam, Director (Member)

# Profiles of Directors

## **Mrs. Sufia Quasem**

Chairperson

Mrs. Sufia Quasem is the Chairperson of the company. She is a widely traveled business entrepreneur. She has acquired firsthand knowledge of management system and production technologies in the developed world. Her experience has been of immense assistance to the group to cope with the competitive environment prevailing in the industrial sector. She is associated as Chairperson of all the entities in the group.

## **Mr. M. A. Quasem**

Managing Director and Chief Executive Officer (CEO)

Mr. M. A. Quasem, Managing Director and Chief Executive Officer (CEO) of the company is a science graduate from Dhaka University, started his career as a government officer and after about two years switched to the banking service. During his stint with the banking service, he rose to the position of a branch manager. In early 1973, Mr. M. A. Quasem set out to establish a business house of his own. He is the Managing Director and Chief Executive Officer of MAQ Enterprises Limited. Mr. M. A. Quasem has traveled to many countries of the world to keep himself abreast of the changing scenario in the field of production and technology.

## **Mr. AQM Mahbubul Alom**

Director

Mr. AQM Mahbubul Alom is a Director of the company. On completion of his graduation, Mr. AQM Mahbubul Alom set out to be a pilot, accordingly joined Civil Aviation Authority, and obtained the private pilot license (PPL) from Civil Aviation Authority of Bangladesh (CAAB) before getting involved with the company. He is involved in all phases of strategic planning and control, policy enhancements and operational and business development. Mr. AQM Mahbubul Alom is also responsible for the entire human resource management and public relations of the company and for all clearing and investigation of equipment that are purchased for the factory. For business purpose, he has traveled so many countries.

## **Mr. Quasem Azam**

Director

Mr. Quasem Azam is a Director of the company. He completed his high school under the University of London, Sussex, England and then went to United States in order to complete his Bachelor degree in electrical Engineering. Mr. Azam also completed MBA degree from University of Mississippi, USA. He is a widely traveled energetic person who has been able to demonstrate his talent in conducting impressive dialogues in fruitful business negotiations and in the fields of corporate finance. He is involved in all phases of strategic planning and control, policy enhancements and operational and business development.

## **Mr. Md. Nur Sultan Khan**

Independent Director

Mr. Md. Nur Sultan Khan Graduated in Commerce and had long involvement with Government service. He was former official of Planning Commission, People's Republic of Bangladesh and Bangladesh Jute Mills Corporation. He ended his professional life in the year 2015 from a reputed Packaging & Paper Manufacturing Company. He has been re-appointed as an independent director of MAQ Enterprises Limited on 24th September, 2021. His experience has been immense assistance to the company to cope with the competitive environment prevailing in the industrial sector.

Company (other than MAQ Enterprises Limited) in which Directors of the Company hold directorship and committee membership :

<b>Sl No.</b>	<b>Name of Director</b>	<b>Directorship</b>	<b>Member of Board committee</b>
1.	Sufia Quasem	MAQ Paper Industries Ltd.	None
2.	M. A. Quasem	MAQ Paper Industries Ltd.	None
3.	AQM Mahbubul Alom	MAQ Paper Industries Ltd.	NRC & Audit Committee MAQ Paper Industries Ltd.
4.	Quasem Azam	MAQ Paper Industries Ltd.	NRC & Audit Committee MAQ Paper Industries Ltd.
5.	Md. Nur Sultan Khan Independent Director	MAQ Paper Industries Ltd.	NRC & Audit Committee MAQ Paper Industries Ltd.

**MAQ ENTERPRISES LIMITED**  
42/1, Segun Bagicha (2nd Floor), Dhaka-1000, Bangladesh  
website : www.maqenterprisesltd.net

**Notice of 48th Annual General Meeting**

Notice is hereby given that the 48th Annual General Meeting of MAQ Enterprises Limited will be held at RAOWA Convention Hall, Anchor (Hall-2), Level-3, VIP road, Mohakhali, Dhaka on Thursday, 22 December, 2022 at 11:15a.m. to transact the following business :

**AGENDA**

1. To receive, consider and adopt the Financial Statements and the Report of the Independent Auditors thereon together with the Report of the Directors for the year ended June 30, 2022.
2. To elect Director as per Articles of Association of the Company.
3. To appoint Statutory Auditors of the Company for the year 2022-23 and fix their remuneration.
4. To appoint Corporate Governance Auditors for the year 2022-23.

42/1, Segun Bagicha, Dhaka  
Dated : 14 November, 2022

By order of the Board  
Sd/-  
Md. Aktar Humayun  
Company Secretary

**Notes :**

1. The Members' Register of the Company will remain closed from 04 December, 2022 to 22 December, 2022 (both days inclusive). The Shareholders whose names will appear in the Members' Register of the Company on the Book Closure will be eligible to attend and vote in the 48th Annual General Meeting.
2. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote in his/her behalf. The proxy form must be affixed with revenue stamp and should be deposited at the registered office of the Company not later than 48 hours before the time fixed for the Annual General Meeting.
3. Admission into the hall will be on production of the attendance slip.
4. The Shareholders are requested to notify change of address, if any, to the Company.
5. No gift or benefit in cash or kind shall be given to the shareholders in compliance with the Notification No. SEC/SRMI/2000-953/1950 dated 24 October 2000 and Circular No. SEC/CMRRCD/2009-193/154 dated 24 October 2013 of BSEC for attending the AGM.



# Chairperson's Statement to the Shareholders

বিসমিল্লাহির রাহমানির রাহিম,  
সম্মানিত অংশীদারবৃন্দ,  
আসসালামুআলাইকুম ওয়া রাহমাতুল্লাহি ওয়াবারাকাতুহু,

পরিচালনা পর্ষদের পক্ষ থেকে ম্যাক এন্টারপ্রাইজেস লিমিটেড এর ৪৮তম বার্ষিক সাধারণ সভায় আপনাদের সকলকে স্বাগত জানাচ্ছি। মহান আল্লাহর ইচ্ছায় আজকের বার্ষিক সাধারণ সভায় আপনাদের সঙ্গে সমবেত হতে পেরে আমি নিজেকে খুবই সৌভাগ্যবান মনে করছি। স্বাচ্ছন্দ্যের সাথে মতবিনিময়ের সুবিধার্থে আপনাদের অনুরোধে ৪৮তম বার্ষিক সাধারণ সভা Physical Platform এ অনুষ্ঠিত হচ্ছে। আপনাদের সামনে উপস্থাপিত বার্ষিক প্রতিবেদনে সন্নিবেশিত ২০২১-২২ অর্থ বছরের সামগ্রিক কার্যক্রম মূল্যায়নের ক্ষেত্রে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক নির্দেশীত BSEC/CMRRCD/2006-158/207/Admin/80 তারিখ 3 June, 2018 এর কর্পোরেট গভার্নেন্স কোড ও কোম্পানী আইন ১৯৯৪ অনুসরণ করা হয়েছে। জুন ৩০, ২০২২ইং এ সমাপ্ত অর্থ বছরের নিরীক্ষিত আর্থিক হিসাব বিবরণীর বিষয়াবলী স্থানভেদে বার্ষিক প্রতিবেদনের বিভিন্ন অংশে আলোচনা করা হয়েছে। আপনাদের অনুরোধে মাতৃভাষায় কোম্পানীর জুন ৩০, ২০২২ইং এ সমাপ্ত অর্থ বছরের আর্থিক ও অন্যান্য কার্যক্রমের মূল বিষয়গুলো সংক্ষিপ্তাকারে উপস্থাপন করছি।

সম্মানিত অংশীদারবৃন্দ, আপনাদের নিশ্চই মনে আছে যে, ২০২০-২১ এর বার্ষিক প্রতিবেদনে কোম্পানীর অতীব গুরুত্বপূর্ণ কিছু বিষয় আপনাদের অবগতির জন্য উপস্থাপন করেছিলাম। তার মধ্যে একটি বিষয় ছিল BIWTA এবং বাংলাদেশ সড়ক ও জনপথ বিভাগ কর্তৃক মালিকানা দাবি করে কোম্পানীর জমি দখল। বাংলাদেশ সরকারের ২টি মন্ত্রনালয়ের মালিকানা দাবি মেটানোর পর কোম্পানীর নিকট অবশিষ্ট যে কমেবেশী ২২ শতাংশ ত্রিভুজাকার ভূমি রয়েছে তা দিয়ে কিছুই করা সম্ভব হবে না। অন্যদিকে সমস্যা সমাধানের জন্য সংশ্লিষ্ট দুইটি মন্ত্রনালয়ের সাথে আমরা নিয়মিত যোগাযোগ রক্ষার চেষ্টা চালিয়ে যাচ্ছি, কিন্তু প্রয়োজনীয় সহযোগিতা না পাওয়ার কারণে এখন পর্যন্ত কোন অগ্রগতি সাধিত হয়নি। সমস্যার সমাধানের আশায় আমরা আমাদের চেষ্টা অব্যাহত রেখেছি।

আপনারা ইতিমধ্যে ঢাকা স্টক এক্সচেঞ্জ লিঃ কর্তৃক প্রকাশিত বিজ্ঞপ্তির মাধ্যমে জেনেছেন যে, ওটিসি মার্কেটে তালিকাভুক্ত কোম্পানী সমূহের বিনিয়োগকারীদের কাছে থাকা সংশ্লিষ্ট কোম্পানীর পেপার শেয়ার সিকিউরিটিজ আইন অনুযায়ী ১২ নভেম্বর, ২০২২ইং এর মধ্যে ডিমেট করার জন্য অনুরোধ করা হয়েছিল। কিন্তু কাজটি করার জন্য এমন একটা সময় নির্ধারণ করা হয়েছে, যে সময়ে অন্যান্য Listed কোম্পানীর মতো আমরাও বার্ষিক নিরীক্ষিত এবং প্রথম ত্রৈমাসিক অনিরীক্ষিত আর্থিক হিসাব বিবরণীর কাজ ও এজিএম এর প্রস্তুতি সহ গুরুত্বপূর্ণ বিষয় নিয়ে ব্যস্ত সময় অতিক্রম করছিলাম। তাই আন্তরিক ইচ্ছা থাকা সত্ত্বেও আমরা ডিমেট করার কাজটি করতে পারিনি এবং এই বিষয়ে কর্তৃপক্ষগণকে অবহিত করা হয়েছে। আশাকরি বার্ষিক সাধারণ সভা সম্পন্ন হওয়ার পর প্রয়োজনীয় প্রস্তুতি শেষে আমরা পেপার শেয়ার ডিমেট করার কাজ শুরু করতে পারবো। পেপার শেয়ার ডিমেট করার বিষয়ে যথাসময়ে কোম্পানীর পক্ষ থেকে সম্মানিত বিনিয়োগকারীদের অবহিত করা হবে।

সম্মানিত অংশীদারবৃন্দ, ম্যাক এন্টারপ্রাইজেস লিমিটেড এর উৎপাদন কার্যক্রম বন্ধ থাকায় সীমিত আকারে ওয়েস্টেজ পেপার ক্রয়-বিক্রয় থেকে ২০২০-২১ অর্থ বছরে ১,১১৮,২৯৫ টাকা আয় হয়েছিল, অপরদিকে ২০২১-২২ এ ক্রয়-বিক্রয় কম হওয়ার কারণে আয়ের পরিমাণ ছিল ৫৯৩,১৭৫ টাকা। Gross Profit margin ২০২০-২১ এ ছিল Revenue এর ৭.৪৫%, যা ২০২১-২২ এ বৃদ্ধি পেয়ে দাঁড়ায় ৯.২৬%। প্রতিবেদন বছরের Administrative Expenses এবং Financial Expenses সামান্য হ্রাস পেলেও ২০২০-২১ এর তুলনায় Net Profit Margin ২০২১-২২ এ ৩.৫৪% হ্রাস পেয়েছে। ২০২০-২১ এ কোম্পানীর শেয়ার প্রতি আয় (EPS) ছিল (০.০২) টাকা এবং ২০২১-২২ এ কোম্পানীর শেয়ার প্রতি আয় (EPS) হয় (০.১০) টাকা। প্রতিবেদন বছরে কোম্পানীর শেয়ার প্রতি আয় পূর্ববর্তী বছরের তুলনায় ০.০৮% হ্রাস পেয়েছে। কোম্পানীর উপরোল্লিখিত বর্তমান অবস্থার কারণে পরিচালনা পর্ষদ লভ্যাংশ ঘোষণা করতে অপারগতা প্রকাশ করেছেন।

সম্মানিত বিনিয়োগকারীবৃন্দ বিভিন্ন সময় গঠনমূলক পরামর্শ প্রদানের মাধ্যমে এই প্রতিষ্ঠানকে এগিয়ে নিতে ভূমিকা রাখার জন্য আপনাদের প্রতি ধন্যবাদ জ্ঞাপন করছি। আরও ধন্যবাদ জ্ঞাপন করছি জয়েন্ট স্টক কোম্পানীজ এন্ড ফার্মস, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ লিঃ, চট্টগ্রাম স্টক এক্সচেঞ্জ লিঃ সহ সংশ্লিষ্ট সকলের প্রতি। কর্মক্ষেত্রে আমাকে সার্বিকভাবে সহযোগিতা করার জন্য কোম্পানীর পরিচালনা পর্ষদের নিকট আন্তরিক কৃতজ্ঞতা প্রকাশ করছি।

ধন্যবাদান্তে,

স্বাক্ষর/-

মিসেস সুফিয়া কাশেম  
চেয়ারপার্সন

ঢাকা,  
১৭ নভেম্বর, ২০২২

# Directors' Report to the Shareholders

Bismillahir Rahmanir Rahim

Dear Shareholders,

Aas Salamualaikum Wa Rahmatullahi Wa Barakatuhu

With due respect, I welcome you all at this 48th Annual General Meeting (AGM) of MAQ Enterprises Limited on behalf of me and the Board of Directors of the Company. The Directors have the pleasure in presenting their report on the activities of the Company and the Auditors' Report together with the Audited Financial Statements of the company for the year ended June 30, 2022 for your valued consideration, approval and adoption. The Directors' Report is prepared in compliance with Bangladesh Securities & Exchange Commission (BSEC) Notification No.– BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018, Listing Rules of Stock Exchanges and the Companies Act. 1994.

## **Industry Outlook & Possible Future Development**

Due to increase of demand of sophisticated packaging for several consumer goods and products, the paper and packaging industry is showing little progress. In the packaging industry, paper packaging is popularly used in the consumer-packaging category. In order to maximize revenue, packaging companies must stay abreast of the latest trends in the business economy; ensure optimum management of raw materials and packaging supplies. Nevertheless, costly raw materials, Gas and Electricity crisis is the main obstacle for running the business smoothly.

## **Segment or product-wise performance**

No mention is made because the company does not have any segment other than the manufacturing and sale of paper and does not have any business unit abroad.

## **Risk and Concerns**

Every investment always associates with risks. Some of risks can be averted, some are beyond control. After claiming the land of the company by BIWTA and Roads & Highways, only 22 decimals are left. The land claiming for acquisition creates concern and risk for the Company which is beyond our control.

## **Discussion on COGS, Gross Profit Margin & Net Profit Margin :**

### **a) Cost of Goods Sold :**

Period	COGS (BDT)	Growth of COGS	Percentage (%) of Increase (Decrease)
2021-22	5,815,705	(58.12)%	5.95% lower than previous year
2020-21	13,887,065	(64.07)%	14.24% lower than previous year
2019-20	38,657,065	(49.83)%	17.52% lower than previous year
2018-19	77,052,130	(32.31)%	5.33% lower than previous year

### **b) Gross Profit Margin :**

Period	Gross Profit (BDT)	Gross Profit Margin	Percentage (%) of Increase (Decrease)
2021-22	5,93,175	9.26%	1.81% Increased than previous year
2020-21	1,118,295	7.45%	0.43% Increased than previous year
2019-20	2,918,307	7.02%	0.36% Decreased than previous year
2018-19	5,498,615	6.66%	0.66% Decreased than previous year
2017-18	7,265,436	6.00%	2.73% Increased than previous year

### **c) Net Profit Margin :**

Period	Net Profit (BDT)	Net Profit Margin	Percentage (%) of Increase (Decrease)
2021-22	(2,51,322)	(3.92)%	3.54% lower than previous year
2020-21	(56,929)	(0.38)%	0.12% higher than previous year
2019-20	(208,003)	(0.50)%	1.56% lower than previous year
2018-19	876,409	1.06%	0.79% lower than previous year
2017-18	2,240,841	1.85%	0.16% lower than previous year

### **Extra-ordinary Gain or Loss**

In the year 1977 we purchased M. M. Oil Mills with 2.405 Acres of land standing in between River Buriganga and Dhaka-Narayangonj road from the Government of Bangladesh. Being the land situated on the River bank, BIWTA claiming 150 feet from the bank as per Gazette published by the Government and Roads & Highways claiming the land as they have acquired the same in the year 1933-34 leaving only 22 decimals useable. The matter has been taken up with the concern authorities as well as legal steps has been taken to resolve the issue.

### **Related Party Transaction**

From the beginning, the company has been maintaining the related party transaction as an internal transaction and it is a normal course of business. The name of related party, amount, and nature of related party, nature of transaction and basis of transaction for the year ended June 30, 2022 has been set as follows:

<b>Name of related party</b>	<b>Amount</b>	<b>Nature of related party</b>	<b>Nature of transaction</b>	<b>Basis of transaction</b>
M. A. Quasem & Others	58,713,449	Managing Director	Interest free loan	Short term loan

### **Any Variance between Quarterly & Annual Financial Statements**

There is no such significant variance occurred between Quarterly Financial performance and Annual Financial Statements of the company during the period.

### **Statement of Remuneration paid to the Directors including Independent Director**

The Board of Directors including Independent Director of the Company does not receive any remuneration from the Company.

### **Financial Reporting Framework**

The Company has complied with the requirements of Corporate Governance and the applicable rules and regulations of CG Code of Bangladesh Securities & Exchange Commission.

- The Financial Statements prepared by the management of the Company present fairly its state of affairs, the result of its operation, cash flows and changes in equity.
- The Company has maintained proper books of account.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- The International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh, has been followed in preparation of the financial statements.
- The Company maintains internal control system, which is not up to the mark of standard. We are trying our level best to achieve the standard.

### **Protection of Minority Shareholders' Interest**

The company ensures the protection of the interest of its minority shareholders' by following the rules and regulations made by the regulatory body.

### **Going Concern**

The company is not in production at present. According to the auditor's opinion, consequences of various matter related with the company indicate that a material uncertainty exist that may cast significant doubt on the company's ability to continue as a going concern.

### **Significant Deviation from last Year's Operating Results**

There is no significant deviation during the period.

## **Five Year's Financial Highlights**

Pursuant to the condition No. 1(5)(xix) of the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 a statement of key operating and financial data stated below :

### **Operating Data :**

Taka in million

<b>Particulars</b>	<b>2021-2022</b>	<b>2020-2021</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>
Turnover	6.40	15.01	41.58	82.55	121.09
Cost of Goods sold	5.82	13.89	38.66	77.05	113.83
Gross Profit	0.59	1.12	2.92	5.50	7.27
Administrative Expenses	0.80	1.08	2.86	4.28	5.15
Operating Profit	0.21	0.04	0.06	1.22	2.12
Financial Charges	0.01	0.01	0.02	0.03	0.06
Net Profit	(0.25)	(0.06)	(0.21)	0.88	2.24

### **Balance Sheet Data :**

Taka in million

<b>Particulars</b>	<b>2021-2022</b>	<b>2020-2021</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>
Paid up Capital	250	250	250	250	250
Shareholders' Equity	(59.75)	(59.50)	(59.45)	(59.24)	(60.12)
Current Assets	99.95	100.52	101.75	101.62	148.30
Current Liabilities	69.66	57.01	58.19	57.85	105.41
Total Assets	133.86	134.43	135.66	135.53	182.21
Total Liabilities	193.61	193.93	195.10	194.77	242.33

### **Financial Ratios :**

<b>Particulars</b>	<b>2021-2022</b>	<b>2020-2021</b>	<b>2019-2020</b>	<b>2018-19</b>	<b>2017-18</b>
Gross profit ratio	0.09	0.07	0.07	0.07	0.06
Net profit ratio	(0.03)	0.002	0.001	0.02	0.03
Current Ratio	1.43	1.76	1.75	1.76	1.41

### **Others Data :**

<b>Particulars</b>	<b>2021-2022</b>	<b>2020-2021</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>
EPS (Taka)	(0.10)	(0.02)	(0.08)	0.35	0.90
NAV (Taka in million)	59.75	(59.50)	(59.45)	(59.24)	(60.12)
NAVPS (Taka)	(23.90)	(23.80)	(23.78)	(23.70)	(24)
NOCFPS (Taka)	(0.23)	(0.49)	0.06	(0.59)	1.30
Dividend (%)	0	0	0	0	0
Total outstanding shares	25,00,000	25,00,000	25,00,000	25,00,000	25,00,000
No. of Shareholders	14,299	14,300	14,340	14,336	14,424

### **Dividend**

As the Company had accumulated loss at the end of the year, the Board of Directors expresses their inability to declare any dividend for the year under report.

## **Bonus Share or Stock Dividend**

No bonus share or stock dividend has been or shall be declared as interim dividend.

## **Board of Directors Meeting and Attendance**

For the year ending at June 30, 2022 the Board of Directors held six (06) meetings. Name of the Directors and the number of meetings attended by each are given below :

<b>Name of the Directors</b>	<b>No. of Meeting attended</b>
Sufia Quasem	06
M. A. Quasem	06
AQM Mahbubul Alom	02
Quasem Azam	06
Md. Nur Sultan Khan	06

## **Shareholdings Information as at June 30, 2022**

Pursuant to the condition No. 1 (5) (xxiii) of the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 the pattern of shareholding disclosing the aggregate number of shares stated below :

(a) There is no Parent or Subsidiary or Associated Company and other related shareholding party.

(b) Name and shareholdings pattern of CEO, Directors/Sponsors, Independent Director :

<b>Sl. No.</b>	<b>Name of Shareholder</b>	<b>Description</b>	<b>No. of shares</b>	<b>Percentage (%)</b>
01	Sufia Quasem	Chairperson	3,21,351	12.85
02	M. A. Quasem	Managing Director & CEO	4,80,843	19.23
03	AQM Mahbubul Alom	Director	1,14,500	4.58
04	Quasem Azam	Director	1,06,000	4.24
05	Quasem Rob	Sponsor	1,14,500	4.58
06	Quasem Monirul Alam	Sponsor	1,06,000	4.24
07	Major Gen. (Rtd.) Abdul Jabbar	Sponsor	5,806	0.23
08	Shahadat Hossain	Sponsor	1000	0.04
09	Md. Nur Sultan Khan	Independent Director	Nil	Nil
		<b>Sub-Total</b>	<b>12,50,000</b>	<b>50.00</b>

(c) Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children are not holding any share of the company.

(d) Executives (Top 5 salaried employees) are not holding any share of the company.

(e) 10% and above shareholders name and no. of shares holding :

<b>Sl. No.</b>	<b>Name</b>	<b>No. of shares</b>	<b>Percentage (%)</b>
01	M. A. Quasem	4,80,843	12.85
02	Sufia Quasem	3,21,351	19.23

## **Certification to the Board by the CEO & CFO**

As per condition No. 1(5)(xxvi) a Certification of the CEO and CFO to the Board under condition No. 3(3) of the BSEC's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 has been enclosed as "Annexure - A"

## **Management's Discussion and Analysis**

Pursuant to the condition No. 1(5)(xxv) of BSEC's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 the 'Management's Discussion and Analysis' signed by the Managing Director & CEO of the company has been attached as "Annexure - B".

## **Audit Committee Report**

Audit committee report signed by the Independent Director Md. Nur Sultan Khan, Chairman, Audit committee under the condition No. 5(7) of BSEC's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 has been attached as "Annexure - C".

## **Nomination & Remuneration Committee (NRC) Report**

Disclosure of the Nomination & Remuneration Committee (NRC) report signed by the Independent Director and Chairman of the NRC committee Mr. Md. Nur Sultan Khan, under the condition No. 6(5)(c) of BSEC's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 has been attached as "Annexure - D".

## **Explanation Regarding Qualified Opinion in the Auditor's Report**

The Directors state that their good intention and views related to the financial position, disclosure of material information and compliance with all applicable laws, rules, regulations, standards and guidelines are reflected in the Certification by CEO and CFO to the Board in accordance with the requirements of Condition No.- 1(5)(xxvi) of the BSEC's Corporate Governance Code and also in the Report of the Audit Committee. The Directors shall do the needful towards overcoming any weakness, as stated in the Auditor's Report, in near future.

## **Certificate on Compliance of Corporate Governance Code**

In compliance with the condition 9(1) under BSEC's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 regarding Corporate Governance Code of the Bangladesh Securities and Exchange Commission, a copy of certificate obtained from Mr. S. Abdur Rashid FCS, practicing Chartered Secretary of SARashid & Associates for the year ended June 30, 2022 has been attached as "Annexure - E".

## **Status of Compliance of Corporate Governance Code**

For the year ended on 30 June 2022, the Company has complied with the conditions as stipulated in the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC). Pursuant with the requirement under condition No. 9 (3) of the BSEC's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 the report of Compliance with Corporate Governance Code has been attached as "Annexure - F".

## **Composition of the Board of Directors**

The Board of Directors of the Company consists of 5(five) Directors including the Managing Director/Chief Executive Officer of the Company and one Independent Director. As per Bangladesh Securities and Exchange Commission's Corporate Governance Code, condition 1.4(d), the roles and responsibilities of the Chairperson and the Managing Director/Chief Executive Officer has been clearly defined.

## **Duality of Chairperson of the Board of Directors and MD/CEO**

Different individuals have filled the position of the Chairperson of the Board and the Managing Director (MD)/Chief Executive Officer (CEO) of the company. The Chairperson of the Board elected from among the non-executive directors of the company. At present, the Managing Director (MD)/Chief Executive Officer (CEO) of the company is holding the same position of another listed company that is an associate company of MAQ Enterprises Limited. The Board of Directors has been working for implementation of the code and for complying with the condition No. 1 (4)(b) of the BSEC's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018.

## **Code of Conduct**

In compliance with the condition 1(7)(a) of the Corporate Governance Code of the BSEC, the Code of Conduct of all Board members, the Chairperson of the Board and Managing Director Managing Director/Chief Executive Officer of the company has laid down and posted in the company's website. The annual compliance of the code has been recorded.

## **Profiles of Directors**

The profile of the Board of Directors including Independent Director with their specialty in specific functional areas and name of the company in which they also holds the Directorship and the membership of committee of the Board is disclosed in the “Profiles of Directors” of this Annual Report.

## **Retirement and Re-election of Directors**

According to the provisions of the Companies Act, 1994, one-third Directors, except the Managing Director (Chief Executive Officer of the Company) shall retire at the ordinary meeting in every subsequent year.

Pursuant to the Article 122 & 124 of the Articles of Association of the Company Mr. Quasem Azam, Director is subject to retire by rotation in this 48th Annual General Meeting and under Article 123 of the Articles of Association of the Company being eligible, he offers himself for re-election. In compliance with the condition No. 5(xxiv) of BSEC’s Notification No.– SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 the Profile of Mr. Quasem Azam enclosed in the “profiles of Directors.”

## **Continuation of Independent Director**

Pursuant to the condition 1(2)(c) of Bangladesh Securities and Exchange Commission’s Notification No. BSEC/CMRRCD /2006-158/207/Admin/80 dated 3 June, 2018, the Board of Directors re-appointed Mr. Md. Nur Sultan Khan as an Independent Director of the company for the further period of 3 (three) years with effect from 24 September, 2021 and approved by the Shareholders in the 47th Annual General Meeting. Profile enclosed in the “profiles of Directors”.

## **Appointment of Statutory Auditors**

Pursuant to the section 210 of the Companies Act 1994, existing Auditor of the Company M/s. MABS & J Partners, Chartered Accountants, retires at this 48th Annual General Meeting and as per BSEC’s Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June, 2018 they offered themselves for re-appointment. The Audit Committee duly evaluated the performance and recommended to the Board for re-appointment of M/s MABS & J Partners, Chartered Accountants, as the auditor of the Company for the year 2022-23. The Board of Directors endorsed the recommendation of the Audit Committee for re-appointment of M/s MABS & J Partners, Chartered Accountants, as the auditor of the Company for the year 2022-23 and till conclusion of 49th Annual General Meeting at a remuneration of Tk. 1,65,000/- (One lac sixty five thousand) and placed before the shareholders at this 48th Annual General Meeting for approval.

## **Appointment of Corporate Governance Auditors**

The Audit Committee recommended to the Board for appointment of M/s SARashid & Associates, Chartered Secretaries, for the year 2022-23 for reviewing the Compliance of Conditions of Corporate Governance Code of the Company under Bangladesh Securities and Exchange Commission’s Notification No. BSEC /CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 and provide the certificate.

The Board of Directors endorsed the recommendation of the Audit Committee and placed before the shareholders at this 48th Annual General Meeting for approval of appointment of M/s SARashid & Associates, Chartered Secretaries, as Corporate Governance Auditors for reviewing the Compliance of Conditions of Corporate Governance Code for the year 2022-23 and provide the certificate.

## **Acknowledgement**

The Board of Directors expresses their thanks and gratitude to the Government, Bangladesh Securities & Exchange Commission, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., Bankers and Shareholders for their valuable assistance, guidance and cooperation extended to the Company from time to time. We consider it as the privilege, on behalf of the shareholders as well as the Board, to acknowledge the contribution of all employees of the Company. We look forward for your continuous support and best wishes for meeting the challenges that awaits us in days to come.

With best regards

On behalf of the Board of Directors

Sd/-

Mrs. Sufia Quasem  
Chairperson

Dhaka,  
20 November, 2022

**MAQ ENTERPRISES LIMITED**

**Certification by the CEO & CFO to the Board**

Date: October 26, 2022

To  
The Board of Directors  
MAQ Enterprises Limited  
42/1, Segun Bagicha  
Dhaka-1000

**Subject: Declaration on Financial Statements for the year ended on June 30, 2022.**

Dear Sirs,

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

- (1) The Financial Statements of MAQ Enterprises Limited for the year ended on June 30, 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed ; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

- (i) We have reviewed financial statements for the year ended June 30, 2022 and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements collectively present 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 of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal, or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

sd/-  
(Md. Zakirul Mazed)  
Chief Financial Officer

sd/-  
(M. A. Quasem)  
Managing Director & CEO



**Management’s Discussion and Analysis**

Pursuant to the condition No. 1 (5) (xxv) of the BSEC’s Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 the management presenting a detailed analysis of the company’s position and operations along with a brief discussion of changes in the financial statements stated below :

- a) The financial statements of the company for the year 2021-22 have been prepared in accordance with Bangladesh Accounting Standards (BAS) the standards issued by the Institute of Chartered Accountants of Bangladesh (ICAB), International Accounting Standards (IAS), International Financing Reporting Standards (IFRS), Companies Act 1994, the Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange and Chittagong Stock Exchange and other applicable laws and regulations. The accounting estimates are based on reasonable and prudent judgment.
- b) There are no changes in accounting policies and estimation. International Accounting Standards, as applicable in Bangladesh, has been following in preparation of the financial statements.
- c) **Comparative analysis of Financial Performance :**

**Revenue**

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Revenue	6,408,880	15,005,360	41,575,372	82,550,745	121,090,588

The revenue growth of the company was (63.91)% in the year 2019-2020. The revenue of the company reduced by 14.27% than previous year. Overall unfavorable situation results downfall growth of the company during the year.

**Gross Profit**

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Gross Profit	593,175	1,118,295	2,918,307	5,498,615	7,265,436

Compared to 2019-20 the company earned 1.80 million taka less in the year 2020-21. Gross Profit margin of the company was 7.45% during the year and 0.43% over prior year. Because of internal control management the company achieved positive profit margin.

**Operating Expense**

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Operating Expense	800,865	1,079,357	2,857,631	4,275,708	5,145,371

Operating expenses of the company decreased by 1.78 million taka during the year and it was 62.24% lower than 2019-20. The management of the company tried to use their mechanism with austerity policy to pulling the reins of such expenses.

**Operational Profit**

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Operational Profit	(207,690)	38,938	60,676	1,222,907	2,120,065

Profit margin from Operations of the company was 0.26% in the year 2020-21. After paying the variable cost of productions, the Return on Sales of the company was 0.11% higher than 2019-2020.

**Profit after tax**

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Profit after Tax	(251,322)	(56,929)	(208,003)	876,409	2,240,841

The company earned Net Profit after Tax 0.15 million taka over prior year. Growth of Profit after Tax is 0.12% in the year 2020-21. Profit margin ratio of the company during the year was (0.38)%.

### Earnings per Share

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Earnings per Share	(0.10)	(0.02)	(0.08)	0.35	0.90

A comparison between 2019-20 and 2020-21 shows that this year's Earnings per Share is 0.06 taka higher than last year.

### Comparative analysis of Financial Position :

#### Total Assets

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Total Assets	133,858,313	134,427,017	135,657,582	135,528,842	182,211,183

The Company generated Non-Current Assets amounting Tk. 33,907,054 and Current Asset amounting Tk. 100,519,963 as at June 30, 2021. Non-Current Assets remain unchanged compared to 2019-20.

#### Total Liabilities

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Total Liabilities	193,613,290	193,930,672	195,104,308	194,767,565	242,326,315

Non-Current liabilities of the company Tk. 136,916,781 and Current liabilities of Tk. 57,013,891 during the year under report. Non-Current liabilities remain unchanged compared to 2019-20 and Current liabilities decreased by Tk. 1,173,636.

#### Capital & Reserve

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Capital & Reserve	(59,754,977)	(59,503,655)	(59,446,726)	(59,238,723)	(60,115,132)

Capital & Reserve of the company was Tk. (59,503,655) in 2020-21 where Retained Earnings amounting Tk. (327,003,655).

### Comparative analysis of Cash Flows :

#### Cash Flows from Operating Activities

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Cash Flows from Operating Activities	(563,472)	(1,224,610)	148,722	(1,478,276)	3,259,836

During the year Operating Cash Flows of the company decreased by Tk.11,373,333 than 2019-20 where payment for Cost and Expenses were amounting Tk. (14,966,422).

#### Cash Flows from Investing Activities

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Cash Flows from Investing Activities	0	0	0	0	0

There were no Cash Flows from Investing Activities during the year under report.

#### Cash Flows from Financing Activities

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Cash Flows from Financing Activities	460,807	1,232,394	(19,981)	(289,554)	(8,853,866)

As at June 30, 2021 the financial expenses of the company were Tk.(5,954) and loan repaying purpose Tk.1,238,349 has been received from the associate company. Loan borrowing/repaying from associate company is a part of the regular business of the company.

- d) Comparison of such financial performance or results and financial position as well as cash flows of the company with the peer industry scenario-

Particulars	2021-22	2020-21	Peer industry 2019-2020
Non-Current Assets	33,907,054	33,907,054	847,319,717
Current Assets	99,951,259	100,519,963	528,263,576
Total Asset	133,858,313	134,427,017	1,375,583,293
Non-Current Liabilities	123,955,857	136,916,781	479,942,323
Current Liabilities	69,657,433	57,013,891	419,212,821
Total Liabilities	193,613,290	193,930,672	899,155,144
Capital & Reserve	(59,754,977)	(59,503,655)	468,034,601
Revenue	6,408,880	15,005,360	473,084,915
Cost of Goods Sold	5,815,705	13,887,065	395,732,584
Gross Profit	593,175	1,118,295	77,352,331
Operational Profit	(207,690)	38,938	2,457,668
Net Profit after Tax	(251,322)	(56,929)	1,420,266
Cash Flows from Operating Activities	(563,472)	(1,224,611)	(66,255,238)
Cash Flows from Investing Activities	-	-	(27,031,552)
Cash Flows from Financing Activities	460,807	1,232,394	99,889,636
Earnings Per Share (EPS)	(0.10)	(0.02)	0.07
Net Asset Value (NAV)	(59,754,977)	(59,503,655)	212,611,673
Net Asset Value per Share (NAVPS)	(23.90)	(23.80)	11.19
Net Operating Cash Flow Per Share (NOCFPS)	(0.23)	(0.49)	(3.49)

- e) Financial and economic scenario of Bangladesh -

The Bangladesh economy is set to continue expanding at a rapid pace, underpinned by strong domestic demand, especially large infrastructure projects and new initiatives in the energy sector.

Particulars	Bangladesh Scenario	
	June' 2022	June' 2021
GDP Growth	7.25%	5.47%
Inflation Rate	5.5%	5.56%
Export	\$52.08 billion	\$35.18 billion
Foreign Exchange Reserve	\$34 billion	\$46.39 billion
Foreign Exchange Reserve (% of GDP)	4.00%	11.26%
Foreign Direct Investment	\$4.7 billion	\$2.5 billion
Remittance	\$21.08 billion	\$24.78 billion
Import	\$82.49 billion	\$60.68 billion
Capital investment (% of GDP)	31.68%	31.02%

- f) Being situated on the River Bank, the land of the company acquired by BIWTA and Roads & Highways leaving only 22 decimals useable. In this situation, the non-cooperation of the two organizations to resolve the issue is a major cause of risk and concerns.
- g) The present position of the business is illustrated by the analysis given above. The Board of Directors is continuing their efforts to resolve the issues.

Dhaka,  
19 November, 2022

sd/-  
M. A. Quasem  
Managing Director & CEO

## **Audit Committee Report**

**[Report under Condition No. 5 (7)]**

To comply with the Bangladesh Securities and Exchange Commission’s Corporate Governance Code condition 4 & 5 the Board of Directors of the Company has constituted an audit committee as a sub-committee of the Board of Directors. The Audit Committee assists the Board of Directors in ensuring the true and fair view of the financial statements of the state of affairs of the company and a good monitoring system within the business.

### **Composition of the Audit Committee**

- The Board of Directors constituted an Audit Committee as a sub-committee of the Board.
  - Composition of the Audit Committee was as follows :
- |  |          |
|--|----------|
| Md. Nur Sultan Khan (Independent Director) | Chairman |
| AQM Mahbubul Alom (Director)               | Member   |
| Quasem Azam (Director)                     | Member   |

The Company Secretary acts as the Secretary of the Audit Committee.

### **Terms of Reference (TOR) of the Audit Committee**

- The Board defined Terms of Reference (TOR) for the Audit Committee. Activities of the Committee are performed as per the said TOR.
- The Committee submits its report directly to the Board of Directors.

### **Meetings of the Audit Committee**

The Committee had five (05) meetings during the year ended June 30’ 2022. Attendance of the Members was as follows :

<b>Name of the Member</b>	<b>Number of Attended</b>
Md. Nur Sultan Khan	05
AQM Mahbubul Alom	02
Quasem Azam	05

- Audit Committee meetings were properly recorded and the Company Secretary keeps Minutes of meetings.

### **Activities**

In order to discharge the duties and responsibilities of the Audit Committee, the Committee-

- reviewed the accounting policies and principles and financial reporting process;
- reviewed the Internal Control System and the financial statements of the first quarter, half year, third quarter and the whole period of July’ 2021 to June’ 2022 and subsequently recommended to the Board for consideration and approval;
- discussed with the statutory auditors for review of the annual financial statements before submission to the Board for approval;
- reviewed the first quarter, half year, third quarter and annual financial statements with the management before submission to the Board for approval;
- reviewed the adequacy of internal audit function;

- reviewed the statement of all related party transactions submitted by the management;
- reviewed the management’s discussion and analysis before disclosing in the Annual Report;
- reviewed the integrity of the financial statements of the Company to ensure that these reflect a true and fair view of the Company’s state of affairs for the period of July’ 2021 to June’ 2022;
- while reviewing the financial statements ensured that proper disclosure required under International Accounting Standards as adopted in Bangladesh have been made and also complied with the Companies Act and various other rules and regulations applicable to the Company;
- discussed with the statutory auditors about the nature and scope of audit as well as had post-audit discussions to address areas of concern;
- approved the internal audit plan and gave direction to the Internal Auditor where appropriate for carrying out in depth audit to ensure that the Company or its assets are not exposed to undue risk;
- reviewed the work of the Internal Audit Department and made suggestions for improvement;
- recognized the observations of the Internal Audit Department regarding internal control and suggestions made to improve operational systems and procedures and their implementation;
- reviewed the Internal Auditors’ reports and suggested appropriate actions where needed. Internal Auditors were also advised to carryout audit of all the branches in each year. Branch audit reports are required to ensure their effectiveness and suggest appropriate information where required;
- reviewed the management report submitted by the statutory auditors and suggested corrective measures and fixed time frame for their implementation; and
- reviewed the performance of External Auditors during the last year and recommended them for re-appointment.

## Reporting

- Pursuant to Condition No. 5 (6) (a) (i) (ii) (b) of the Corporate Governance Guidelines issued by BSEC, the Committee reports that it did not find any conflict of interest or any fraud, irregularity, material defect in the Internal Control System. There are no infringement of laws, rules and regulations also.
- The Committee is of the view that risk management associated with the business of the Company is adequately controlled.

On behalf of the Audit Committee

sd/-

Md. Nur Sultan Khan  
Chairman  
Audit Committee  
15 November, 2022

## **Nomination & Remuneration Committee (NRC) Report**

[Report under Condition No. 6 (5)(c)]

In compliance with the Bangladesh Securities and Exchange Commission’s Corporate Governance Code condition No. 6 the Board of Directors of the Company constituted a Nomination & Remuneration Committee (NRC) as a sub-committee of the Board of Directors. The Committee assists the Board of Directors in ensuring the formulation of the nomination criteria or policy as well as formal process of considering remuneration of directors and top level executives. In accordance with the approval of the Board, the Nomination and Remuneration Policy may be amended and/or restated from time to time by the NRC. The Company Secretary keeps Minutes of all Remuneration and Nomination Committee meetings, which are available to all members of the Board of Directors.

### **Composition of the Nomination & Remuneration Committee (NRC)**

The Board nominated and appointed the members of the Committee as follows :

Md. Nur Sultan Khan (Independent Director)	Chairman
AQM Mahbubul Alom (Director)	Member
Quasem Azam (Director)	Member

The Company Secretary acts as the Secretary of the Nomination & Remuneration Committee (NRC).

### **Meeting of the Nomination & Remuneration Committee (NRC)**

The Committee had one (01) meeting during the year ended June 30’ 2022 and attendance was as follows :

<b>Name of the Member</b>	<b>Number of Attended</b>
Md. Nur Sultan Khan	1
AQM Mahbubul Alom	1
Quasem Azam	1

Nomination & Remuneration Committee (NRC) meeting was properly recorded and the Company Secretary keeps Minutes of meeting.

### **Terms of Reference (TOR) of the NRC**

- The Board clearly defined the Terms of Reference (TOR) of the NRC covering the areas stated at the condition No. 6(5)(b) of the Corporate Governance Code. Activities of the NRC are performed as per the said TOR.
- The NRC Committee submits its report directly to the Board of Directors.

### **Nomination Policy**

1. The nomination of directors and top level executives will be determined by the Committee and recommended to the Board for approval. The nomination shall be subject to the prior/post approval of the Company’s shareholders as the case may be.
2. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or top level executive and recommend to the Board for appointment.
3. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
4. A person to be appointed for the corresponding position should possess impeccable reputation for integrity and insights in sectors/areas relevant to the Company, ability to contribute to the Company’s growth, complementary skills in relation to others.
5. A person to be appointed as director or top level executive shall not hold any office except in its subsidiary/sister company at the same time as per approval of the Board.
6. Every employee is required to sign a performance contract which clearly articulates the key performance measures for that particular defined role.
7. The nomination structure determined by the Board, and is revised from time to time, depending on the Company’s needs.

## Remuneration Policy

1. The remuneration structure determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance.
2. The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board.
3. In the case of the top level executives, increments to the existing remuneration structure may be recommended by the Committee to the Board for approval within the ceiling fixed by the Board.
4. The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as prescribed by the Board from time to time.
5. The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber and high potential personnel in a competitive global market.
6. The total remuneration level is to be reset annually based on a comparison with the relevant peer company and in accordance with the income-expenditure ratio.
7. Remuneration & reward structure comprises with (1) annual remuneration (2) long-term rewards. The Committee would determine and formulate the guidelines for remuneration and long-term rewards.
8. Term Incentive Plans under which incentives would be granted to eligible key employees based on their contribution to the performance of the Company, relative position in the organization, and length of service under the supervision and recommendation of the Committee.
9. The grant, vesting and other scheme details would be formulated from time to time. These schemes are implemented to attract and retain key talent in the company.

## Evaluation criteria

The evaluation of the Directors and top level executive position of the Company is to be conducted on an annual basis. The following criteria may assist in determining how effective the performances of the Directors and top level executive officials have been:

1. Leadership and stewardship abilities.
2. Performance against corporate plans & objectives.
3. Strategic Planning- Financial & Business.
4. Identify, monitor & mitigate significant corporate risks.
5. Review management's succession plan.
6. Obtain adequate, relevant & timely information from external sources.
7. Communication skills.
8. Motivating employees, providing assistance & directions.
9. Team work attributes.
10. Regular monitoring of corporate results against projections.
11. Direct, monitor & evaluate senior officials.
12. Attendance & presence in meetings of Board & Committees.
13. Punctuality.
14. Leadership skills.
15. Exercising duties diligently.
16. Compliance with ethical standards & code of conduct.
17. Safeguard of confidential information.

On behalf of the Nomination & Remuneration Committee (NRC)

sd/-

Md. Nur Sultan Khan  
Chairman  
Nomination & Remuneration Committee (NRC)  
15 November, 2022

***SARashid & Associates***  
***(Chartered Secretaries)***

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**S. Abdur Rashid FCS**

MBS, MBA (Finance), PGDHRM, LLB, FIPM

**Chartered Secretary in Practice**

Private Practice Certificate No.: 003

**Report to the Shareholders of MAQ ENTERPRISES LIMITED**  
**on**  
**Compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by MAQ ENTERPRISES LIMITED for the year ended on 30 June 2022. This Code relates to the Notification No. BSEC/CMRRC/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

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

Place : Dhaka

Dated : 22 November 2022



For  
**SARashid & Associates**

*Rashid*

**S. Abdur Rashid FCS**

Chartered Secretary in Practice



## Status of Compliance of Corporate Governance Code [2021-22]

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

**(Report under Condition No. 9)**

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (If any)
		Complied	Not Complied	
<b>1</b>	<b>BOARD OF DIRECTORS:</b>			
1 (1)	Board's Size [number of Board members to be 5 – 20]	√		
<b>1 (2)</b>	<b>Independent Directors</b>			
1 (2) (a)	Number of Independent Directors [at least 1/5]	√		
<b>1 (2) (b)</b>	<b>Independent Director (ID) means a director:</b>			
1 (2) (b) (i)	Holding no share or holding less than 1% shares;	√		
1 (2) (b) (ii)	Not being a sponsor and connected with any sponsor or director or shareholder holding 1% or more shares;	√		
1 (2) (b) (iii)	Not being an executive of the company in immediately preceding 2 (two) financial years;	√		
1 (2) (b) (iv)	Not having any pecuniary or otherwise relationship with the company or its subsidiary/associated companies;			
1 (2) (b) (v)	Not being member/TREC holder/director/officer of any stock exchange;	√		
1 (2) (b) (vi)	Not being shareholder/director excepting independent director/officer of any member or TREC holder of stock exchange or intermediary of the capital market;	√		
1 (2) (b) (vii)	Not being partner/executive at present or during the preceding 3 (three) years of the company's statutory audit firm/audit firm engaged in internal audit services/ conducting special audit/professional certifying compliance of CG Code;	√		
1 (2) (b) (viii)	Not being an independent director in more than 5 (five) listed companies;	√		
1 (2) (b) (ix)	Not convicted by a court as defaulter in any loan of a bank or NBFI;	√		
1 (2) (b) (x)	Not convicted for a criminal offence;	√		
1 (2) (c)	To be appointed by BOD and approved in the AGM;	√		
1 (2) (d)	The post cannot remain vacant for more than 90 days;	√		
1 (2) (e)	Tenure of ID : 3 years, may be extended for one term.	√		
<b>1 (3)</b>	<b>Qualification of Independent Director</b>			
1 (3) (a)	Being knowledgeable, having integrity, ability to ensure compliance with laws and make meaningful contribution to the business.	√		
1 (3) (b)	Other qualifications of Independent director :			
1 (3) (b) (i)	Being business Leader who is/was a promoter/director of an unlisted company having minimum paid-up capital of Tk.100 million/any listed company/member of any national/international chamber of commerce/business association;			N/A
1 (3) (b) (ii)	Being Corporate Leader who is/was not lower than CEO/MD/DMD/CFO/Head of LS/ Finance/Accounts/CS/HIAC or equivalent position of an unlisted company having minimum paid-up capital of Tk.100 million/of listed company;			N/A
1 (3) (b) (iii)	Being former official of government/statutory/autonomous/regulatory body in the position not below 5th Grade of national pay scale, bachelor degree in economics/commerce/business/Law;	√		
1 (3) (b) (iv)	Being University Teacher with background in Economics/Commerce/Business Studies/Law;			N/A
1 (3) (b) (v)	Being professional who is/was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court/CA/CMA/CFA/CCA/CPA/Chartered Management Accountant/CS or equivalent qualification;			N/A
1 (3) (c)	Independent Director shall have at least 10 (ten) years of experiences in any field mentioned clause (b);	√		
1 (3) (d)	Prior approval of the Commission in special cases.			N/A

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (If any)
		Complied	Not Complied	
<b>1 (4)</b>	<b>Duality of Chairperson of the Board of Directors and MD/CEO -</b>			
1 (4) (a)	The position of the Chairperson of the Board and the MD and/or CEO of the company shall be filled by different individuals;	√		
1 (4) (b)	The MD and/or CEO of a listed company shall not hold the same position in another listed company;		√	The matter is under process
1 (4) (c)	The Chairperson of the Board shall be elected from among the non-executive of the company;			N/A
1 (4) (d)	Defining roles and responsibilities of the Chairperson and the MD and/or CEO by the Board;	√		
1 (4) (e)	In absence of the Chairperson of the Board, the remaining members may elect Chairperson from non-executive directors for that particular Board's meeting; the reason of absence of regular Chairperson shall be duly recorded in the minutes.			N/A
<b>1 (5)</b>	<b>The Director's Report to Shareholders shall include</b>			
1 (5) (i)	Industry outlook and possible future developments;	√		
1 (5) (ii)	Segment-wise or product-wise performance;	√		
1 (5) (iii)	Risks and concerns;	√		
1 (5) (iv)	Discussion on COGS, Gross Profit and Net Profit Margins;	√		
1 (5) (v)	Discussion on continuity of Extra-Ordinary gain or loss;			N/A
1 (5) (vi)	Basis for and a statement of related party transactions;	√		
1 (5) (vii)	Utilization of proceeds from issuing instruments;			N/A
1 (5) (viii)	Explanation, if the financial results deteriorate after going for IPO, RPO, Right Offer, Direct Listing, etc.;			N/A
1 (5) (ix)	Explanation about significant variance between Quarterly Financial performance and Annual Financial Statements;			N/A
1 (5) (x)	Remuneration to directors including IDs;			Do not receive
1 (5) (xi)	Fair presentation in financial statements prepared by the management;	√		
1 (5) (xii)	Maintaining proper books of accounts;	√		
1 (5) (xiii)	Consistent application of appropriate accounting policies, and accounting estimates being reasonable and prudent;	√		
1 (5) (xiv)	Following applicable IAS/IFRS and adequate disclosure for any departure therefrom, if any;	√		
1 (5) (xv)	Soundness and monitoring of internal control system;	√		
1 (5) (xvi)	Statement regarding protection of minority shareholders;	√		
1 (5) (xvii)	Statement regarding ability to continue as going concern;	√		
1 (5) (xviii)	Significant deviations from last year's operating results;			N/A
1 (5) (xix)	Summary of key operating/financial data of last 5 years;	√		
1 (5) (xx)	Reason for non-declaration of Dividend;	√		
1 (5) (xxi)	Statement regarding no bonus share/stock dividend has been or shall be declared as interim dividend;	√		
1 (5) (xxii)	Number of Board meetings and attendance of directors;	√		
<b>1 (5) (xxiii)</b>	<b>Pattern of shareholding (along with name wise details) by-</b>			
1 (5) (xxiii) (a)	Parent/Subsidiary/Associate Companies & related parties;	√		
1 (5) (xxiii) (b)	Directors, CEO, CS, CFO, HOIAC, their spouses & children;	√		
1 (5) (xxiii) (c)	Executives (Top 5 salaried employees other than above);	√		
1 (5) (xxiii) (d)	Shareholders holding 10% or more voting interest.	√		
<b>1 (5) (xxiv)</b>	<b>In case of the appointment/re-appointment of a director</b>			
1 (5) (xxiv) (a)	A brief resume of the director;	√		
1 (5) (xxiv) (b)	Nature of his/her expertise in specific functional areas;	√		
1 (5) (xxiv) (c)	Names of companies in which he/she holds directorship and the membership of committees of the board.	√		

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (If any)
		Complied	Not Complied	
<b>1 (5) (xxv)</b>	<b>CEO/MD signed a detailed Management's discussion and analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others focusing on :</b>			
1 (5) (xxv) (a)	Accounting policies and estimation for preparation of financial statements;	√		
1 (5) (xxv) (b)	Changes in accounting policies and estimation;			N/A
1 (5) (xxv) (c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current and immediate preceding 5 years explaining reason thereof;	√		
1 (5) (xxv) (d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1 (5) (xxv) (e)	Briefly explain the financial and economic scenario of the country and the globe	√		
1 (5) (xxv) (f)	Risk and concern issues related to the financial statements and mitigation plan;	√		
1 (5) (xxv) (g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof;	√		
1 (5) (xxvi)	As per <b>Annexure-A</b> disclosure of declaration or certification by the CEO and the CFO to the Board under condition No. 3(3);	√		
1 (5) (xxvii)	As per <b>Annexure-B</b> and <b>Annexure-C</b> disclosure of the report and certificate regarding compliance of conditions of CG codes under condition No. 9;	√		
1 (6)	As per provisions of the Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) the Board meetings shall be conducted and recorded the minutes by the company.	√		
1 (7)	<b>Code of Conduct for the Chairperson, other Board members and CEO</b>			
1 (7) (a)	Laying down of code of conduct (COC) of Chairperson, other Board members and CEO as recommended by the Nomination and Remuneration Committee (NRC) under condition No. 6;	√		The Board has laid down COC
1 (7) (b)	Posting of code of conduct (COC) on the website as determined by the NRC including prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		The COC, as laid down by the Board has been posted on the website
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company -</b>			
2 (a)	Composition of the Board to be similar to holding company;			N/A
2 (b)	One ID to be in both holding and subsidiary company;			N/A
2 (c)	Minutes of Board meetings of subsidiary company to be placed for review at following Board meeting of holding company;			N/A
2 (d)	Minutes of respective Board meeting of holding company to state that affairs of subsidiary company be reviewed;			N/A
2 (e)	Audit Committee of holding company to review financial statements, in particular the investments of subsidiary company.			N/A
<b>3</b>	<b>MD or CEO, CFO, HIAC and CS -</b>			
3 (1) (a)	Appointment of MD/CEO, CS, CFO and HIAC;	√		
3 (1) (b)	The post of MD/CEO, CS, CFO and HIAC shall be filled by different individuals;	√		
3 (1) (c)	The MD/CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;			The matter is under process
3 (1) (d)	Defining the roles, responsibilities & duties of the CFO, HIAC, and CS;	√		
3 (1) (e)	The MD/CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange (s);			N/A
3 (2)	Attendance of MD/CEO, CS, CFO and HIAC in the meetings of the Board.	√		
<b>3 (3)</b>	<b>Duties of MD/CEO and CFO:</b>			
3 (3) (a) (i)	To certify that MD/CEO and CFO have reviewed FSs of the year which contain no untrue or misleading statement or omit no material fact;	√		
3 (3) (a) (ii)	To certify that the statements present a true and fair view of affairs and are in compliance with accounting standards and applicable laws;	√		
3 (3) (b)	To certify that no transactions entered into by the company is fraudulent, illegal or violation of code of conduct for the company's Board or its members;	√		
3 (3) (c)	Disclosure of certification of the MD/CEO and CFO in the Annual Report.	√		

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (If any)
		Complied	Not Complied	
<b>4</b>	<b>Board of Directors' Committee -</b>			
4 (i)	Audit Committee.	√		
4 (ii)	Nomination and Remuneration Committee (NRC).	√		
<b>5</b>	<b>Audit Committee -</b>			
<b>5 (1)</b>	<b>Responsibility to the Board of Directors</b>			
5 (1) (a)	Having Audit Committee as a sub-committee of the Board;	√		
5 (1) (b)	Audit Committee to assist the Board in ensuring fairness of financial statements and a good monitoring system;	√		
5 (1) (c)	Audit Committee being responsible to the Board; duties of Audit Committee to be clearly set forth in writing.	√		
<b>5 (2)</b>	<b>Constitution of the Audit Committee</b>			
5 (2) (a)	Audit Committee to be composed of at least 3 members;	√		
5 (2) (b)	Audit Committee members to be appointed by the Board and composed by the non-executive directors, excepting chairperson of the Board including at least 1 (one) Independent Director to be included;	√		
5 (2) (c)	Audit Committee members to be "financially literate" and at least 1 (one) to have accounting or related financial management background with 10 years experience	√		
5 (2) (d)	Vacancy in Audit Committee making the number lower than 3 to be filled up immediately and within 1 month;			N/A
5 (2) (e)	The CS to act as the secretary of the Audit Committee;	√		
5 (2) (f)	No quorum shall be constituted in Audit Committee meeting without at least 1 (one) independent director.	√		
<b>5 (3)</b>	<b>Chairperson of the Audit Committee</b>			
5 (3) (a)	Chairperson to be an independent director, selected by the Board;	√		
5 (3) (b)	In absence of Chairperson the Audit Committee may elect Chairperson for that particular meeting from one of themselves from remaining members, constituting a quorum as required under condition No. 5(4)(b), absence of regular Chairperson shall be recorded duly with reason in the minutes;			N/A
5 (3) (c)	Chairman of audit committee to remain present in AGM;	√		
<b>5 (4)</b>	<b>Meeting of the Audit Committee</b>			
5 (4) (a)	Audit Committee shall conduct at least four meetings in a financial year;	√		
5 (4) (b)	The quorum of the Audit Committee meeting shall be constituted in presence of two or two-third of the members, whichever is higher, presence of an ID is must;	√		
<b>5 (5)</b>	<b>Role of Audit Committee</b>			
5 (5) (a)	Oversee the financial reporting process;	√		
5 (5) (b)	Monitor choice of accounting policies and principles;	√		
5 (5) (c)	Monitor Internal audit and Compliance process including approval of the Internal audit and Compliance plan and review the Internal audit and Compliance report;	√		
5 (5) (d)	Oversee hiring and performance of external auditors;	√		
5 (5) (e)	Hold meeting with statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5 (5) (f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√		
5 (5) (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5 (5) (h)	Review the adequacy of internal audit function;	√		
5 (5) (i)	Review the management's Discussion and Analysis before disclosing in the annual report;	√		
5 (5) (j)	Review statement of all related party transactions submitted by the management;	√		
5 (5) (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;			N/A
5 (5) (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit evaluate the performance of external auditors;	√		
5 (5) (m)	Oversee whether the proceeds raised through IPO or RPO or Rights Share Offer have been utilized as per the purpose stated in relevant offer documents or prospectus approved by the Commission.			N/A

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (If any)
		Complied	Not Complied	
<b>5 (6)</b>	<b>Reporting of the Audit Committee</b>			
<b>5 (6) (a)</b>	<b>Reporting to the Board of Directors</b>			
5 (6) (a) (i)	Reporting on the activities of Audit Committee;	√		
5 (6) (a) (ii) (a)	Reporting on conflicts of interests;			N/A
5 (6) (a) (ii) (b)	Reporting on suspected or presumed fraud/irregularity/material defect identified in the internal audit and compliance process or in the financial statements;			N/A
5 (6) (a) (ii) (c)	Reporting on suspected infringement of laws;			N/A
5 (6) (a) (ii) (d)	Reporting on any other matter to disclose immediately;			N/A
5 (6) (b)	Reporting to BSEC;			N/A
5 (7)	Reporting to the Shareholders and General Investors.	√		
<b>6</b>	<b>Nomination &amp; Remuneration Committee (NRC) -</b>			
<b>6 (1)</b>	<b>Responsibility to the Board of Directors</b>			
6 (1) (a)	Having Nomination & Remuneration Committee (NRC) as a sub-committee of the Board;	√		
6 (1) (b)	NRC to assist the Board in formulating remuneration consideration process and nomination criteria/policy for determining qualification, positive attributes, experiences, independence of directors and top level executive;	√		
6 (1) (c)	The TOR of the NRC to be clearly set forth in writing covering the areas stated at the condition No. 6 (5) (b).	√		
<b>6 (2)</b>	<b>Constitution of the NRC</b>			
6 (2) (a)	The Committee to be composed of at least 3 members including an ID;	√		
6 (2) (b)	Committee members to be non-executive directors;	√		
6 (2) (c)	Committee members to be nominated and appointed by the Board;	√		
6 (2) (d)	Committee members to be removed and appointed by the Board;	√		
6 (2) (e)	The post of Committee members cannot remain vacant for more than 180 days;			N/A
6 (2) (f)	The Chairperson may appoint any advisor of the Committee who shall be non-voting member;			N/A
6 (2) (g)	The company secretary to act as the secretary of the Committee;	√		
6 (2) (h)	No quorum shall be constituted in NRC meeting without at least an ID;	√		
6 (2) (i)	NRC members shall not receive any remuneration from the company except Director's fees or honorarium.	√		
<b>6 (3)</b>	<b>Chairperson of the NRC</b>			
6 (3) (a)	Chairperson of the NRC to be an independent director, selected by the Board;	√		
6 (3) (b)	In absence of the Chairperson of the NRC, the remaining members may elect Chairperson from non-executive directors for that particular Board's meeting; the reason of absence of regular Chairperson shall be duly recorded in the minutes;			N/A
6 (3) (c)	Chairperson of NRC to remain present in the AGM.	√		
<b>6 (4)</b>	<b>Meeting of the NRC</b>			
6 (4) (a)	At least one meeting shall be conducted by the NRC in a financial year;	√		
6 (4) (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any NRC member;			N/A
6 (4) (c)	The quorum of the meeting of the NRC shall be constituted in presence of two or two-third of the members, whichever is higher, presence of an ID is must;	√		
6 (4) (d)	Duly be recorded the proceedings in the minutes of the NRC meeting and to be confirmed in the next NRC meeting.	√		
<b>6 (5)</b>	<b>Role of the NRC</b>			
6 (5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders.	√		TOR of NRC includes this role

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (If any)
		Complied	Not Complied	
<b>6 (5) (b)</b>	<b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board:</b>			
6 (5) (b) (i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend directors, top level executives remuneration policy to the Board, considering the following:			
6 (5) (b) (i) (a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;			TOR of NRC includes this role
6 (5) (b) (i) (b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmark;			TOR of NRC includes this role
6 (5) (b) (i) (c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;			TOR of NRC includes this role
6 (5) (b) (ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			TOR of NRC includes this role
6 (5) (b) (iii)	Identifying qualified person to become directors and who may be appointed in top level executive position according the criteria laid down, and recommended their appointment and removal to the Board;	√		TOR of NRC includes this role
6 (5) (b) (iv)	Formulating the criteria for evaluation of performance of ID and the Board;	√		TOR of NRC includes this role
6 (5) (b) (v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	√		TOR of NRC includes this role
6 (5) (b) (vi)	Developing, recommending and reviewing annually the company's human resources and training policies;			TOR of NRC includes this role
6 (5) (c)	Disclosure of nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in the annual report.	√		
<b>7</b>	<b>External or Statutory Auditors -</b>			
<b>7 (1)</b>	<b>The issuer company shall not engage its external or statutory auditors to perform company's following services:-</b>			
7 (1) (i)	Appraisal or valuation services or fairness opinions;	√		
7 (1) (ii)	Designing & implementation of FIS;	√		
7 (1) (iii)	Book Keeping or accounting or financial statements;	√		
7 (1) (iv)	Broker-Dealer services;	√		
7 (1) (v)	Actuarial services;	√		
7 (1) (vi)	Internal Audit services or special audit services;	√		
7 (1) (vii)	Any services determines by the Audit Committee;	√		
7 (1) (viii)	Audit/Certification services on Compliance of Corporate Governance as required under condition No. 9(1);	√		
7 (1) (ix)	Any other services that creates conflict of interest;	√		
7 (2)	Possessing no share by any partner or employee of the external audit firm at least during the tenure of assignment; his/her family members also shall not hold any shares of the company;	√		
7 (3)	Representative of external or statutory auditors shall remain present in the Shareholders Meeting (AGM/EGM) to answer the queries of the shareholders.	√		
<b>8</b>	<b>Maintaining a website by the Company -</b>			
8 (1)	An official website linked with the website of the stock exchange;	√		
8 (2)	Keeping the website functional from the date of listing	√		
8 (3)	Availability of the detailed disclosure on its website as required under the listing regulations of the concerned stock exchange(s).	√		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance -</b>			
9 (1)	Obtaining certificate from a practicing professional Accountant or Secretary regarding compliance of conditions of CG code of the Commission and shall be disclosed in the Annual Report;	√		
9 (2)	The professional who will provide the certificate on compliance of the CG Code shall be appointed by the shareholders in the annual general meeting;	√		
9 (3)	To state, in accordance with Annexure-C attached, in the directors' report whether the company has complied with the conditions or not.	√		

# Independent Auditor's Report

## To the Shareholders of MAQ Enterprises Limited

### Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the financial statements of **MAQ Enterprises Limited**, which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our qualified opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### Basis for Qualified Opinion

##### 1) **Material Uncertainty Related to Going Concern**

The financial statements included a negative amount of Tk. 327,254,977 as *Retained Earnings*. Moreover, the company incurred loss of Tk. 251,322 during the year. Furthermore, current liabilities of the company has been exceeded its net assets by Tk. 59,754,977. The consequences of these along with other matters indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, the Financial Statements have not disclosed this matter adequately.

##### 2) **Ref. to Notes# 4.00 and 5.00**

The financial statements have included *Intangible Assets* and *Deferred Revenue Expenses* of Tk. 2,523,264 and Tk. 11,117,073 respectively which are constant since long. The management of the company neither been able to provide sufficient and appropriate supportive documents in this regard nor written off of these balances as the existence and recoverability of these are very negligible. As a result, true and fair view of the financial statements have been compromised.

##### 3) **Ref. to Notes# 6.00 and 8.00**

The financial statements have included *Advance, Deposit & Prepayments* and *Accounts Receivable* of Tk. 20,475,046 and Tk. 102,709 respectively remained unadjusted since long. Provided documents against these were not sufficient to belief that these amounts either adjustable or recoverable.

##### 4) **Ref. to Notes# 18.00 and 19.00**

Documents provided by the management of the company against *Sale of Wastage* and *Purchase of Wastage* of Tk. 6,408,880 and Tk. 5,815,705 respectively were not found sufficient and appropriate to support these balances presented in the financial statements.

##### 5) **Ref. Note# 03.00**

MAQ Enterprises Limited has no property, plant and equipment other than land. The reason behind such non-existence of property, plant and equipment other than land could not be explained for verification and was not disclosed anywhere in the financial statements.

##### 6) **Ref. to Notes# 12.00 and 15.00:**

*Long Term Loan (Blocked)* and *Short Term Loan* of Tk. 120,082,740 and Tk. 4,331,778 respectively have been carried forwarded in the financial statements since long. No documents were provided by the management of the company against these credit facilities. Even, no interests have been charged during the year under audit though the company is being enjoying above mentioned credit facilities. This indicates significant misstatement in the financial statements.

7) **Ref. to Notes# 13.00 and 14.00:**

The financial statements have included *Share Application Money* and *Dividend Payable* of Tk. 1,654,153 and Tk. 2,218,964 respectively remained unadjusted since long. Provided documents against these were not sufficient to belief that these amounts either adjustable or payable to shareholders. Even, these balances have not been transferred to the Capital Market Stabilization Fund (CMSF) as directed by the Bangladesh Securities and Exchange Commission's directive no. BSEC/CMRRCD/2021-386/03 dated 14 January 2021 and Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules 2021 and Commission's letter no. SEC/SRMIC/165-2020/ part-1/166 dated 06 July 2021 and Commission's letter no. SEC/SRMIC/165-2020/ part-1/182 dated 9 July 2021.

8) **Employees Benefit:**

Gratuity Fund, Provident Fund and Workers' Profit Participation Fund have not been introduced by the company in compliance with the Bangladesh Labor Act 2006 (As amended in 2013), Bangladesh Labor Rules 2010 and International Accounting Standard-19 *Employee Benefits*.

9) **Ref. to Note# 07.00**

Documents provided by the management of the company against *Loan to Associate Company* of Tk. 79,220,530 was not found sufficient and appropriate to support that the balance presented in the financial statements fairly. Moreover, the company did not disclose the related party transactions and related party disclosures as required by the International Accounting Standards 24 *Related Party Disclosures*.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Emphasis of Matter

We draw attention to note 3.00 of the financial statements, which describes the acquirement of land by the R & H and BIWTA and present status of the legal steps in this regard.

### Other Matters

Financial statements for the year ended 30 June 2021 were audited by Shiraz Khan Basak & Co, Chartered Accountants, who expressed qualified opinion on those financial statements on 10 November 2021.

### Key Audit Matters

Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to the Key Audit Matters to be communicated in our report. For each matter below our description of how our audit addressed the matters provided in that context.

<b>Risk</b>	<b>Our response to the risk</b>
<b>Revenue Recognition</b>	
During this year, net sales revenue of Tk. 6,408,880. Revenue is measured net of discounts, commission and rebates earned by customers on the sales. Within a number of the company markets, the estimation of discounts, commission and rebates recognized based on sales made during the year is material and considered to be complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates.	We have tested the design and operating effectiveness of key controls focusing on the following: <ul style="list-style-type: none"><li>• Segregation of duties in invoice creation and modification; and</li><li>• Timing of revenue recognition.</li></ul> Our substantive procedures in relation to the revenue recognition comprises the following: <ul style="list-style-type: none"><li>• Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct year;</li></ul>



<b>Risk</b>	<b>Our response to the risk</b>
<b>Revenue Recognition</b>	
<p>There is also a risk that revenue may be overstated due to fraud through manipulation of the discounts, incentives and rebates recognized resulting from the pressure local management may feel to achieve performance targets.</p> <p><b>See Note no. 18.00 to The Financial Statements</b></p>	<ul style="list-style-type: none"> <li>• Within a number of the Company's markets, comparing current year rebate accruals to the prior year and, where relevant, completing further inquiries and testing.</li> <li>• Agreeing a sample of claims and rebate accruals to supporting documentation;</li> <li>• Critically assessing manual journals posted to revenue to identify unusual or irregular items;</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards;</li> <li>• Performing cut-off test by obtaining delivery challan for goods delivered during the beginning of the next accounting year and at the close of current accounting year to verify whether sales are recorded in the current accounting year; and</li> </ul> <p>Inspecting VAT returns submitted to VAT authority to determine consistency of sales revenue recognized.</p>

<b>Risk</b>	<b>Our response to the risk</b>
<b>Valuation of Property, Plant and Equipment</b>	
<p>The carrying value of the Property, Plant and Equipment (PPE) was Tk. 20,266,717 as at 30 June, 2022. Expenditures are capitalized if they create new assets or enhance the existing assets and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the assets or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements and that there is significant measurement uncertainty involved in this valuation.</p> <p><b>See Note No. 3.00 to the Financial Statements</b></p>	<p>Our audit included the following procedure:</p> <ul style="list-style-type: none"> <li>• We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IAS 16 and found them to be consistent.</li> <li>• We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice.</li> <li>• We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital work in progress to ready for use, with the date of the act of completion of the work.</li> </ul>

## Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## **Report on Other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994, we also report that except for the effects of the matters described in the Basis for Qualified Opinion section of our report:

- 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 so far as it appeared from our examination of those books
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purpose of the Company's business

**Signed for & on behalf of**  
**MABS & J Partners**  
Chartered Accountants

**Place: Dhaka, Bangladesh**  
Dated: 27 October 2022

sd/-  
**Md. Shahadat Hossain FCA**  
Senior Partner  
ICAB Enrollment No: 672  
DVC No.: 2210270672AS332092

**MAQ Enterprises Limited**  
**Statement of Financial Position**  
**As at June 30, 2022**

Particulars	Notes	Amount in Taka	
		30-Jun-22	30-Jun-21
<b>ASSET:</b>	-		
<b>Non-Current Assets:</b>	-	<b>33,907,054</b>	<b>33,907,054</b>
Property, Plant & Equipment	03.00	20,266,717	20,266,717
Intangible Assets	04.00	2,523,264	2,523,264
Deferred Revenue Expense	05.00	11,117,073	11,117,073
<b>Current Assets:</b>	-	<b>99,951,259</b>	<b>100,519,963</b>
Advance, Deposit & Prepayment	06.00	20,475,046	20,475,046
Loan to Associate Company	07.00	79,220,530	79,686,569
Accounts Receivable	08.00	102,709	102,709
Cash and Cash Equivalents	09.00	152,974	255,639
<b>Total Assets</b>		<b>133,858,313</b>	<b>134,427,017</b>
<b>EQUITY AND LIABILITIES:</b>	-		
<b>Capital and Reserve:</b>	-	<b>(59,754,977)</b>	<b>(59,503,655)</b>
Share Capital	10.00	250,000,000	250,000,000
General Reserve		17,500,000	17,500,000
Retained Earnings	11.00	(327,254,977)	(327,003,655)
<b>Non Current Liabilities:</b>		<b>123,955,857</b>	<b>136,916,781</b>
Long Term Loan	12.00	120,082,740	133,043,664
Share Application Money	13.00	1,654,153	1,654,153
Dividend Payable	14.00	2,218,964	2,218,964
<b>Current Liabilities:</b>	-	<b>69,657,433</b>	<b>57,013,891</b>
Short Term Loan	15.00	4,331,778	4,331,778
Loan from Managing Director & Others		58,713,449	45,752,524
Liability for Expenses	16.00	2,009,141	1,889,212
Provision for Tax	17.00	4,603,066	5,040,377
<b>Total Equity and Liabilities</b>		<b>133,858,313</b>	<b>134,427,017</b>
<b>Net Asset Value</b>		<b>(59,754,977)</b>	<b>(59,503,655)</b>
<b>Net Asset Value per Share</b>	23.00	<b>(23.90)</b>	<b>(23.80)</b>

The attached notes form an integral part of the financial statements

sd/  
**Company Secretary**

sd/-  
**Director**

sd/-  
**Managing Director**

This is the Statement of Financial Position referred to in our separate report of even date.

**Signed for & on behalf of**  
MABS & J Partners  
Chartered Accountants

**Place : Dhaka, Bangladesh**  
Dated : 27 October 2022

sd/-  
**S H Talukder FCA**  
Partner  
ICAB Enrollment No: 1244  
DVC: 2210271244AS987727

**MAQ Enterprises Limited**  
**Statement of Profit or Loss**  
**For the Year Ended June 30, 2022**

Particulars	Notes	Amount in Taka	
		2021-22	2020-21
Revenue	18.00	6,408,880	15,005,360
Less: Cost of Goods Sold	19.00	5,815,705	13,887,065
<b>Gross Profit</b>		<b>593,175</b>	<b>1,118,295</b>
Less: Administrative Expenses	20.00	800,865	1,079,357
<b>Profit/(Loss) from Operations</b>		<b>(207,690)</b>	<b>38,938</b>
Less: Financial Expenses	21.00	5,233	5,954
<b>Profit/(Loss) before Non-Operating Income</b>		<b>(212,923)</b>	<b>32,984</b>
Add: Non-Operating Income	22.00	54	120
<b>Net Profit/(Loss) before Provision for tax</b>		<b>(212,869)</b>	<b>33,104</b>
Less: Provision for Tax		38,453	90,032
<b>Net Loss after tax</b>		<b>(251,322)</b>	<b>(56,929)</b>
<b>Earnings Per Share (EPS)</b>	<b>24.00</b>	<b>(0.10)</b>	<b>(0.02)</b>

The attached notes form an integral part of the financial statements

sd/  
**Company Secretary**

sd/-  
**Director**

sd/-  
**Managing Director**

This is the Statement of Financial Position referred to in our separate report of even date.

**Signed for & on behalf of**  
MABS & J Partners  
Chartered Accountants

**Place : Dhaka, Bangladesh**  
Dated : 27 October 2022

sd/-  
**S H Talukder FCA**  
Partner  
ICAB Enrollment No: 1244  
DVC: 2210271244AS987727

**MAQ Enterprises Limited**  
**Statement of Changes in Equity**  
**For the Year Ended June 30, 2022**

Amount in Taka

Particulars	Share Capital	General Reserve & Others	Retained Earnings	Total
Opening Balance as on 01 July 2021	250,000,000	17,500,000	(327,003,655)	(59,503,655)
Net Loss for the year	-	-	(251,322)	(251,322)
<b>Closing Balance as on 30 June 2022</b>	<b>250,000,000</b>	<b>17,500,000</b>	<b>(327,254,977)</b>	<b>(59,754,977)</b>

**For the Year Ended 30 June 2021**

Particulars	Share Capital	General Reserve & Others	Retained Earnings	Total
Opening Balance as on 01 July 2020	250,000,000	17,500,000	(326,946,726)	(59,446,726)
Net Loss for the year	-	-	(56,929)	(56,929)
<b>Closing Balance as on 30 June 2021</b>	<b>250,000,000</b>	<b>17,500,000</b>	<b>(327,003,655)</b>	<b>(59,503,655)</b>

The annexed notes form an integral part of these Financial Statements.

sd/  
**Company Secretary**

sd/-  
**Director**

sd/-  
**Managing Director**

**Place : Dhaka, Bangladesh**  
Dated : 27 October 2022

**MAQ Enterprises Limited**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2022**

Particulars	Amount in Taka	
	2021-22	2020-21
<b>Cash Flows from Operating Activities:</b>	(563,472)	(1,224,610)
Collection from Turnover & Other	6,408,934	15,005,480
Payment for Cost and Expenses	(6,616,570)	(14,966,422)
Liability for Expenses	119,929	67
Tax Paid	(475,765)	(1,263,735)
<b>Cash Flows from Investing Activities:</b>	-	-
<b>Cash Flows from Financing Activities:</b>	460,807	1,232,394
Long term Loan payment	(12,960,925)	-
Loan from Managing Director & Others	12,960,925	-
Loan to Associate Company	466,039	1,238,349
Financial Expenses	(5,233)	(5,954)
<b>Net Cash Flow During the Year</b>	<b>(102,666)</b>	<b>7,784</b>
Opening Cash and Cash Equivalents	255,639	247,855
<b>Closing Cash and Cash Equivalents</b>	<b>152,973</b>	<b>255,639</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>(0.23)</b>	<b>(0.49)</b>

The attached notes form an integral part of the financial statements

sd/  
**Company Secretary**

sd/-  
**Director**

sd/-  
**Managing Director**

**Place : Dhaka, Bangladesh**  
Dated : 27 October 2022

# **MAQ Enterprises Limited**

## **Notes to the Financial Statements**

### **For the Year Ended June 30, 2022**

#### **01.00 Significant Accounting Policies & Other Material Information**

##### **01.01 Legal Form of the Entity :**

MAQ Enterprises Limited was originally incorporated as a Private Company Limited by Shares on June 14, 1974 under the Companies Act 1913 and it was converted into a Public Limited Company on March 23, 1995 and offered its share to the public with the approval of the Securities and Exchange Commission (SEC) in the month of July 1996. The shares of the company are listed in Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. The registered office of the Company is located at 42/1, Segun Bagicha, Dhaka-1000 and the Industrial Units are located at Kadamtoly, Faridabad, Dhaka -1204.

##### **01.02 Nature of Business Activities:**

The Principal activities of the Company was concentrated on manufacturing and exporting various kinds of Corrugated Carton Box, Back Board, Neck Board, Paper Board etc. At present the Company is involved in selling and purchasing of wastage.

#### **02.00 Basis of preparation**

##### **02.01 Accounting Convention:**

For preparing and presenting the financial statements of the Company the following assumptions, measurement base, laws, rules, regulations and accounting pronouncements have been considered: going concern, accrual, historical cost convention, Generally Accepted Accounting Principles (GAAP) and practices in Bangladesh, the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka and Chittagong Stock Exchanges, the Accounting Standards issued by The Institute of Chartered Accountants of Bangladesh (ICAB) and International Accounting Standards (IAS).

##### **02.02 Fixed Assets:**

The cost of acquisition comprises purchase price, including duties and non-refundable taxes, and any directly attributable cost of bringing the asset to working condition for its intended use. The Company has a freehold land of 2.4050 acre located at Kadamtali, Demra (Plot No. 591,592,593) as fixed asset. The land is capitalized at cost of acquisition.

##### **02.03 Depreciation:**

Land is held on a freehold basis and is not depreciated considering the unlimited life.

##### **02.04 Other Corporate Debt, Accounts Payable, Trade and Other Liabilities:**

These liabilities are carried at the anticipated settlement amount in respect of goods and services received, whether or not billed by the supplier.

##### **02.05 Provisions:**

Provisions are liabilities of uncertain timings or amount. Provisions are recognized when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

##### **02.06 Cash & Cash Equivalent:**

This represents only cash in hand and at bank.



**02.07 Other Current Assets:**

Other current assets have a value on realization in the ordinary course of the company's business, which is at least equal to the amount at which they are stated in the Statement of Financial Position.

**02.08 Employment Benefits:**

The company has not operated any contributory Provident Fund and Gratuity Plan for their employees.

**02.09 Earnings Per Share:**

This has been calculated by dividing the basic earnings/(loss) by the weighted average number of ordinary shares outstanding during the year.

**Basic earning**

This represents earnings/(loss) for the year attributable to ordinary share holders. As there was no preference dividend, minority interest or extra ordinary items, the Net Profit for the year has been considered as fully attributable to the ordinary shareholders.

No diluted earnings/(loss) are required to be calculated for the year as there was no scope for dilution during the year under review.

**02.10 Reporting Currency:****02.11 Information by Industry Segments and Geographical areas:**

No mention is made because the company does not have any segment other than the manufacturing and sale of paper and does not have any business unit abroad.

**02.12 General:**

Figures have been rounded off to the nearest Taka.

**02.13 Payment to Directors**

The Board of Directors consists by 4 Directors and 1 Independent director. During the year total 6 board meetings were held, No remuneration paid to the directors.

Notes	Particulars	Amount in Taka	
		30-Jun-22	30-Jun-21
<b>03.00</b>	<b>Property, Plant &amp; Equipment: Tk 20,266,717</b>		
	Land	20,266,717	20,266,717
	<b>Closing Balance</b>	<b>20,266,717</b>	<b>20,266,717</b>
	In the year 1977 we purchased M.M.Oil Mills with 2.405 Acres of Land Standing in between River Buriganga and Dhaka-Narayanganj Road from the Government of Bangladesh. Being the land situated on the River Bank, BIWTA claiming 150 feet from the Bank as per Gazette published by the Government and R&H claiming the land as they have acquired the same in the year 1933-1934 leavings only 22 decimals useable. The matter has been taken up with the concern authorities as well as legal steps has been taken to resolve the issue.		
<b>04.00</b>	<b>Intangible Assets: Tk 2,523,264</b>		
	This is as per last year accounts	2,523,264	2,523,264
		<b>2,523,264</b>	<b>2,523,264</b>
	Intangible assets have not been written off as per the decision by the management.		
<b>05.00</b>	<b>Deferred Revenue Expense: Tk 11,117,073</b>		
	Interest Expense	11,117,073	11,117,073
		<b>11,117,073</b>	<b>11,117,073</b>
	Interest amount of Tk. 11,117,073 is charged against Short Term Loan (Blocked). This is being treated as Deferred Revenue Expense.		
<b>06.00</b>	<b>Advance, Deposit &amp; Prepayment: Tk 20,475,046</b>		
	Advance & Prepayment (Note:06.01)	19,635,742	19,635,742
	Security Deposit (Note:06.02)	839,304	839,304
		<b>20,475,046</b>	<b>20,475,046</b>
<b>06.01</b>	<b>Advance &amp; Prepayment: Tk 19,635,742</b>		
	Advance Against Purchase	6,383,133	6,383,133
	Advance Income Tax	12,713,288	12,713,288
	Tax Deduction at Source	465,536	465,536
	Value Added Tax (VAT)	73,785	73,785
		<b>19,635,742</b>	<b>19,635,742</b>
<b>06.02</b>	<b>Security Deposit: Tk 839,304</b>		
	Security Deposit - Titas Gas	497,752	497,752
	Margin Deposit	21,835	21,835
	Bank Guarantee - Sonali Bank Ltd.	62,894	62,894
	Bank Guarantee - Pubali Bank Ltd.	187,448	187,448
	Security Deposit at PDB	69,375	69,375
		<b>839,304</b>	<b>839,304</b>

Security Deposits are made to Govt. & Statutory Authorities & hence considered good.

Notes	Particulars	Amount in Taka	
		30-Jun-22	30-Jun-21
<b>07.00</b>	<b>Loan to Associate Company: Tk 79,220,530</b>		
	Opening Balance	79,686,569	80,924,918
	Less: Adjustment during the Year	466,039	1,238,349
		<b>79,220,530</b>	<b>79,686,569</b>
<b>08.00</b>	<b>Accounts Receivable: Tk 102,709</b>		
	Accounts Receivable	102,709	102,709
		<b>102,709</b>	<b>102,709</b>
<b>09.00</b>	<b>Cash &amp; Cash Equivalents: Tk 152,974</b>		
	Cash in Hand	150,500	249,987
	Cash at Bank (Note:09.01)	2,474	5,652
		<b>152,974</b>	<b>255,639</b>
<b>09.01</b>	<b>Cash at Bank: Tk 2,474</b>		
	Uttara Bank Ltd. STD (A/C No.-4170)	1,142	2,818
	First Security Islami Bank Ltd.(A/C No.- 597)	1,332	2,835
		<b>2,474</b>	<b>5,652</b>
<b>10.00</b>	<b>Share Capital: Tk 250,000,000</b>		
	<b>Authorised Capital</b>		
	5,000,000 Ordinary Shares of Tk.100 each	<b>500,000,000</b>	<b>500,000,000</b>
	<b>Issued, Subscribed &amp; Paid-up Capital</b>		
	2,500,000 Ordinary Shares of Tk.100 each	250,000,000	250,000,000
		<b>250,000,000</b>	<b>250,000,000</b>
<b>10.01</b>	<b>Share Holding By Categories:</b>		

GROUP	NO. OF SHARES	NO. OF SHARES
Sponsors	1,250,000	1,250,000
Foreign	68,550	69,000
ICB	225,784	225,784
Other Company	37,484	37,484
General Public	918,182	917,732
<b>Total</b>	<b>2,500,000</b>	<b>2,500,000</b>

GROUP	% of Shares	% of Shares
Sponsors	50.00%	50.00%
Foreign	2.74%	2.76%
ICB	9.03%	9.03%
Other Company	1.50%	1.50%
General Public	36.73%	36.71%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Notes	Particulars	Amount in Taka	
		30-Jun-22	30-Jun-21
<b>11.00</b>	<b>Retained Earnings: Tk (327,254,977)</b>		
	Opening Balance	(327,003,655)	(326,946,726)
	Add: Net Loss During the Year	(251,322)	(56,929)
		<b>(327,254,977)</b>	<b>(327,003,655)</b>
<b>12.00</b>	<b>Long Term Loan (Blocked): Tk 120,082,740</b>		
	Sonali Bank CC Hypo (A/c No.37000416)	5,234,629	5,234,629
	Sonali Bank CC Hypo (A/c No.37001918)	56,614,383	56,614,383
	Sonali Bank Hypo (A/c No.3700408)	71,194,653	71,194,653
		133,043,664	133,043,664
	Less : Loan paid during the year	12,960,925	-
		<b>120,082,740</b>	<b>133,043,664</b>
<b>13.00</b>	<b>Share Application Money: Tk 1,654,153</b>		
	Share Application Money	1,654,153	1,654,153
		<b>1,654,153</b>	<b>1,654,153</b>
<b>14.00</b>	<b>Dividend Payable: Tk 2,218,964</b>		
	This is as per last year accounts	2,218,964	2,218,964
		<b>2,218,964</b>	<b>2,218,964</b>
<b>15.00</b>	<b>Short Term Loan: Tk 4,331,778</b>		
	Sonali Bank CC Hypo (A/c No.37000424)	4,331,778	4,331,778
		<b>4,331,778</b>	<b>4,331,778</b>
<b>16.00</b>	<b>Liability for Expenses: Tk 2,009,141</b>		
	Salary & Allowances	29,187	49,258
	VAT on Sales	279,954	279,954
	Audit Fee	165,000	150,000
	DSE Renewal Fee	1,535,000	1,410,000
		<b>2,009,141</b>	<b>1,889,212</b>
<b>17.00</b>	<b>Provision for Tax: Tk 4,603,066</b>		
	Opening Balance	5,040,377	6,214,080
	Add: During the Year	38,453	90,032
		<b>5,078,831</b>	<b>6,304,112</b>
	Less: Paid During the Year	475,765	1,263,735
		<b>4,603,066</b>	<b>5,040,377</b>
<b>18.00</b>	<b>Revenue: Tk 6,408,880</b>		
	Sale of Wastage	6,408,880	15,005,360
		<b>6,408,880</b>	<b>15,005,360</b>

Notes	Particulars	Amount in Taka	
		30-Jun-22	30-Jun-21
<b>19.00</b>	<b>Cost of Goods Sold: Tk 5,815,705</b>		
	Purchase of Wastage	5,815,705	13,887,065
		<u>5,815,705</u>	<u>13,887,065</u>
<b>20.00</b>	<b>Administrative Expenses: Tk 800,865</b>		
	Salary & Allowances	350,250	591,100
	Bonus	58,375	98,517
	Stationery	265	350
	Electric Goods	655	760
	Traveling & Conveyance	720	920
	Entertainment	450	550
	Audit Fee	165,000	150,000
	Business Promotion	300	450
	Misc. Expenses	250	330
	DSE Renewal Fee	125,000	125,000
	AGM Expenses	98,500	109,680
	Factory Maintenance	1,100	1,700
		<u>800,865</u>	<u>1,079,357</u>
<b>21.00</b>	<b>Financial Expenses: Tk 5,233</b>		
	Bank Charges	5,233	5,954
		<u>5,233</u>	<u>5,954</u>
<b>22.00</b>	<b>Non-Operating Income: Tk 54</b>		
	<b>Interest Income:</b>		
	Uttara Bank Ltd. (A/C No: 15451410004170)	54	120
		<u>54</u>	<u>120</u>
<b>23.00</b>	<b>Net Asset Value (NAV) Per Share with Revaluation</b>		
	Net Asset Value	(59,754,977)	(59,503,655)
	Number of Shares	2,500,000	2,500,000
	<b>Net Asset Value Per Share</b>	<u>(23.90)</u>	<u>(23.80)</u>
<b>24.00</b>	<b>Earnings Per Share (EPS)</b>		
	Surplus for the year attributable to Shareholders (Net Loss)	(251,322)	(56,929)
	Number of Shares	2,500,000	2,500,000
	<b>Earnings Per Share</b>	<u>(0.10)</u>	<u>(0.02)</u>
	EPS has also been decreased compare to the Financial Year 2020-2021, due to decreased of sales .		
<b>25.00</b>	<b>Cash Flows Per Share from Operating Activities</b>		
	Operating Cash Inflow during the Period	(563,472)	(1,224,610)
	Number of Shares	2,500,000	2,500,000
		<u>(0.23)</u>	<u>(0.49)</u>

During the financial year the company purchased more quantity of raw materials for production of finished goods, for this reason during the year operating cash flows decreased in comparison with previous year.

**26.00 Reconciliation of Profit/(Loss) after Tax with Cash Flows from Operating Activities****30-Jun-22**

Net Profit/(Loss) after Tax	Profit/Loss A/C	(251,322)
Add: Depreciation	Annexure-"A"	-
Add: Finance Cost	Note-21	5,233
(Increase)/Decrease in Advance, Deposits and Prepayment	Note-06	(0)
Increase/(Decrease) in Trade and Other Payables	Note-14	119,929
Increase/(Decrease) in Provision for Income Tax	Note-17	(437,312)
		<u>(563,472.58)</u>

**27.00 Tax Assessment Status**

Income tax return submitted by the company under income tax ordinance 1984. Income tax paid under section-74 basic of return.

Income year	Assessment Year	Tax Liabilities	Provision	Remarks
2017-2018	2018-2019	654,536	746,947	
2018-2019	2019-2020	477,100	495,304	
2019-2020	2020-2021	91,171	191,247	
2020-2021	2021-2022	67,512	67,524	
2021-2022	2022-2023			

**28.00 Event After the Reporting Period**

- a) The Board of Directors of the Company in it's meeting held on 27 October 2022 approved the financial statements of the Company for the year ended 30 June 2022 and authorized the same for issue.
- b) There is no other significant event that has occurred between the Financial Position date and the date when the Financial Statements were authorized for issue by the Board of Directors.

sd/  
Company Secretary

sd/-  
Director

sd/-  
Managing Director

Place : Dhaka, Bangladesh  
Dated : 27 October 2022

**MAQ ENTERPRISES LIMITED**  
**SHARE HOLDING POSITION**  
**For the Year Ended June 30, 2022**

<b>RANGE OF HOLDINGS IN NUMBER OF SHARES</b>	<b>NO. OF SHARE HOLDERS</b>	<b>% OF SHARE HOLDERS</b>	<b>NO. OF SHARES</b>	<b>% OF SHARE CAPITAL</b>
01 TO 500	14104	98.63	542,717	21.71
501 TO 5,000	165	1.15	254,984	10.20
5,001 TO 10,000	16	0.11	122,110	4.88
10,001 TO 20,000	6	0.04	69,627	2.79
20,001 TO 30,000	1	0.01	20,794	0.83
30,001 TO 40,000	0	0.00	-	0.00
40,001 TO 50,000	0	0.00	-	0.00
50,001 TO 1,00,000	1	0.01	55,200	2.21
1,00,001 TO 10,00,000	7	0.05	1,434,568	57.38
OVER 10,00,000	0	0.00	-	0.00
<b>TOTAL</b>	<b>14300</b>	<b>100</b>	<b>2,500,000</b>	<b>100.00</b>

**THE SHAREHOLDING CONSISTS OF :**

<b>GROUP</b>	<b>NO. OF SHARES</b>	<b>% OF SHARES</b>
SPONSORS	1,250,000	50.00%
FOREIGN	69,000	2.76%
I.C.B	225,784	9.03%
OTHER COMPANY	37,484	1.50%
GENERAL PUBLIC	917,732	36.71%
<b>TOTAL</b>	<b>2,500,000</b>	<b>100.00%</b>

# MAQ ENTERPRISES LIMITED

## PROXY FORM

Shareholder(s) Folio No.

Revenue Stamp
------------------

I/we.....  
of .....  
being shareholder(s) of **MAQ ENTERPRISES LIMITED**, hereby appoint Mr./Ms. ....  
..... as my/our proxy to attend and vote for me/us and on my/our  
behalf at the 48th Annual General Meeting of the Company to be held at RAOWA Convention Hall, Anchor (Hall-2),  
Level-3, VIP road, Mohakhali, Dhaka on Thursday, 22nd December, 2022 at 11:15am and at any adjournment thereof.

As witness my/our hand this .....day of .....2021

\_\_\_\_\_  
Signature of Shareholder(s)

\_\_\_\_\_  
Signature of Proxy

Date : \_\_\_\_\_

Notes :

1. This form of proxy, duly completed with a revenue stamp must be deposited at least 48 hours before the meeting at the Company's registered office. Proxy will be invalid if not signed and stamped.
2. Signature of the Shareholder must agree with the specimen signature registered with the Company.

✂-----

# MAQ ENTERPRISES LIMITED

## ATTENDANCE SLIP

I/we hereby record my/our presence at the 48th Annual General Meeting of **MAQ ENTERPRISES LIMITED** on  
Thursday, 22nd December, 2022 at 11:15am at RAOWA Convention Hall, Anchor (Hall-2), Level-3, VIP road,  
Mohakhali, Dhaka.

Full name of the shareholders  
(In block letter) \_\_\_\_\_

\_\_\_\_\_  
Signature

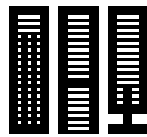
Full name of proxy  
(In block letter) \_\_\_\_\_

\_\_\_\_\_  
Signature

Shareholder(s) Folio No.:

Notes : Shareholders are requested to deposit this slip at the entrance of the meeting hall.





# **MAQ ENTERPRISES LIMITED**

42/1, Segun Bagicha, Dhaka-1000.