

ENVOY TOWER



Registered & Corporate Office:

Envoy Tower (5th-8th Floor), 18/E, Lake Circus
Kalabagan (West Panthapath), Dhaka-1205
Bangladesh, Phone : +880 2 910 2583-90

Manufacturing Plant:

Jamirdia, Bhaluka, Mymensingh, Bangladesh.

www.envoytextiles.com



ENVOY TEXTILES LIMITED




HALF-YEARLY FINANCIAL REPORT 2013



Dear Shareholders,

As per Rule 13 of the Securities & Exchange Rules, 1987 and Regulation 36(9)(a) of the Stock Exchanges Listing regulation, We are pleased to present the un-audited financial statements of Envoy Textiles Limited for the half year ended on March 31, 2013

24 April 2013
Dhaka


Kutubuddin Ahmed
Chairman

ENVOY TEXTILES LIMITED
STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT MARCH 31, 2013

Particulars	Total (Tk.) (As at 31st Mar' 13)	Total (Tk.) (As at 30th Sep' 12)
ASSETS		
Non Current Assets	4,093,916,534	3,960,772,818
Property, Plant & Equipments, Net	4,047,728,451	3,933,122,456
Deferred Expenses	46,188,082	27,650,362
Current Assets	3,896,106,262	2,951,671,601
Inventories & Stores	523,464,010	507,903,281
Material in Transit	21,159,745	27,433,904
Accounts Receivable	1,173,677,241	1,251,482,229
Export incentive Receivable	375,081,621	324,524,469
Advance, Deposits & Prepayments	112,283,954	119,900,216
Investment	116,968,879	36,125,915
Capital Work in progress-Expension Unit	1,520,902,705	488,794,987
Cash and Cash Equivalents	52,568,107	195,506,600
Total Assets	7,990,022,796	6,912,444,419
EQUITY & LIABILITIES		
Shareholders Equity		
Authorised Capital	2,750,000,000	2,750,000,000
150,000,000 ordinary shares of Tk.10/= each.	1,500,000,000	1,500,000,000
125,000,000 Redeemable Preference Shares of Tk.10/= each.	1,250,000,000	1,250,000,000
Shareholders Equity	5,119,501,924	3,925,914,561
Issued, Subscribed and Paid up Share Capital	1,365,000,000	1,000,000,000
Share Premium	1,120,000,000	520,000,000
Revaluation Surplus	1,755,175,435	1,760,533,804
Retained Earnings	551,404,299	317,458,567
Tax Holiday reserve	327,922,190	327,922,190
Non-Current Liability	809,629,623	701,271,400
Secured Loan	809,629,623	701,271,400
Current Liabilities	2,060,891,249	2,285,258,458
Secured Loan (Current Portion)	75,772,562	144,284,686
Accounts Payable	1,615,557,988	1,282,168,549
Short Term Liabilities	263,430,053	537,569,883
Provision for Expenses	51,734,551	293,839,299
Provision for Income Tax	35,397,595	27,396,042
Provision for Deferred Tax	18,998,499	
Total Liabilities & Shareholders' Equity	7,990,022,796	6,912,444,419

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



Saiful Islam, ACMA
CFO
Dated: 24 April 2013
Dhaka



Abdus Salam Murshedy
Managing Director



Kutubuddin Ahmed
Chairman

ENVOY TEXTILES LIMITED
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED 31ST MARCH 2013

Particulars	Six Months Ended		2nd Quarter Ended	
	Total (Tk.) (31st Mar' 13)	Total (Tk.) (31st Mar' 12)	Total (Tk.) (Jan to Mar 31, 2013)	Total (Tk.) (Jan to Mar 31, 2012)
Revenue	1,940,987,404	1,770,520,361	1,024,079,374	975,674,230
Less: Cost of Goods Sold	1,494,275,681	1,424,004,279	775,386,299	755,598,413
Gross Profit	446,711,722	346,516,082	248,693,076	220,075,817
Less: Operating Expenses	102,934,817	62,223,510	51,496,646	28,683,955
Administrative & General Expenses	86,317,265	51,056,232	43,454,005	24,579,650
Selling & Distribution Expenses	16,617,551	11,167,278	8,042,642	4,104,305
Profit/ (Loss) from Operation	343,776,906	284,292,572	197,196,429	191,391,862
Less: Financial Expenses	87,862,542	87,679,276	37,774,381	43,515,732
Profit/ (Loss) after Financial Expenses	255,914,364	196,613,296	159,422,049	147,876,129
Add: Other Income	22,952,423	188,532	(4,313,268)	-
Net Profit/ (Loss) before WPPF	278,866,787	196,801,828	155,108,780	147,876,129
Less: Provision for Workers Profit Participation Fund	13,279,371	9,371,516	7,386,132	7,041,720
Net Profit before Tax	265,587,416	187,430,312	147,722,648	140,834,409
Less: Provision for Income Tax	18,001,554	5,005,269	13,620,667	4,922,648
Less: Provision for Deferred Tax	18,998,499	-	9,510,060	-
Profit after Tax	228,587,364	182,425,043	124,591,921	135,911,761
Earning Per Shares (EPS)	1.67	1.82	0.91	1.36

The annexed notes form an integral part of this financial statements.

ENVOY TEXTILES LIMITED
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED 31ST MARCH 2013


Particulars	Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Taka	Retained Earnings Taka	Total (Tk.)
At the beginning of the year	1,000,000,000	520,000,000	1,760,533,803	327,922,190	317,458,567	3,925,914,561
Add: Addition During the Period	365,000,000	600,000,000				965,000,000
Add: Net Profit During the Period					228,587,364	228,587,364
Depreciation on Revaluation Surplus			(5,358,368)		5,358,368	-
As at 31.03.2013	1,365,000,000	1,120,000,000	1,755,175,435	327,922,190	551,404,299	5,119,501,924

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED 31ST MARCH 2012

Particulars	Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Taka	Retained Earnings Taka	Total (Tk.)
At the beginning of the year	1,000,000,000	520,000,000	1,771,448,530	252,646,428	217,561,070	3,761,656,028
Add: Net Profit During the Period					182,425,043	184,586,449
Less: Payment of Interim Dividend						-
Less: Transfer to Tax Holiday Reserve				62,476,771	(62,476,771)	-
Depreciation on Revaluation Surplus			(5,444,989)		5,444,989	-
Less: Provision for Current Tax						-
As at 31.03.2012	1,000,000,000	520,000,000	1,766,003,541	315,123,199	342,954,331	3,946,242,477


Saiful Islam, ACMA
 CFO
 Dated: 24 April 2013
 Dhaka


Abdus Salam Murshedy
 Managing Director


Kutubuddin Ahmed
 Chairman

ENVOY TEXTILES LIMITED
STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE PERIOD ENDED 31ST MARCH 2013

Particulars	Six Months Ended	
	31 Mar 2013 Taka	31 Mar 2012 Taka
Cash Flow From Operating Activities: (A)		
<u>Receipts:</u>	1,991,187,662	1,459,385,931
Collection from Debtors	1,968,235,240	1,459,197,399
Others	22,952,423	188,532
<u>Payments:</u>	1,291,748,198	1,100,060,383
Cash Payment to Creditors	1,100,265,690	992,127,943
Cash Payment for Operating Expenses	107,156,615	72,117,271
Advance , Deposits & Prepayments	(7,616,262)	(54,261,639)
Tax Paid	10,000,000	130,490
Financial Expenses	81,942,156	89,946,319
Net Cash Provided/(Used) by Operating activities	<u>699,439,464</u>	<u>359,325,548</u>
Cash Flows From Investing Activities: (B)		
Purchase of Fixed Assets	(203,050,837)	(97,009,912)
Investment	(80,842,964)	(207,778,766)
Capital Work in progress-Expansion Unit	(1,032,107,718)	-
Inter Company Finance	-	(1,629,130)
Net Cash Used in Investing Activities	(1,316,001,519)	(306,417,808)
Cash Flows From Financing Activities: (C)		
Long Term Liabilities (Secured Loan)	108,358,223	(66,156,930)
Secured Loan (Current Portion)	(68,512,124)	-
Short Term Liabilities (Liabilities)	(274,139,831)	(5,566,045)
Paid up Capital	365,000,000	-
Share Premium	600,000,000	-
Payment of Dividend	(257,082,706)	-
Net Cash Provided by Financing Activities	<u>473,623,563</u>	<u>(71,722,976)</u>
Net Increase in Cash [A+B+C]	<u>(142,938,493)</u>	<u>(18,815,236)</u>
Add: Cash at the Opening	195,506,600	29,903,333
Cash at end year	<u>52,568,107</u>	<u>11,088,097</u>



Saiful Islam, ACMA
CFO

Dated: 24 April 2013
Dhaka



Abdus Salam Murshedy
Managing Director



Kutubuddin Ahmed
Chairman



Envoy Textiles Limited
Notes to the Interim Financial Statements
For the period ended March 31, 2013



Activities of the Company

Envoy Textiles Limited incorporated in Bangladesh under the Companies Act, 1994 is a 100% Export Oriented Denims Fabric Manufacturer. It is the first Rope Denims Plant in Bangladesh with highly sophisticated machineries of USA and Japan and went into commercial operation on 01 March 2008.

Basis of preparation of the Interim Financial Statement

These are Interim Financial Statements of Envoy Textiles Limited for the half year ended March 31, 2013 prepared in accordance with International Accounting Standard (IAS 34). These financial statements should read in conjunction with the Annual Financial Statements as of September 30, 2012.

The financial statements are prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, Securities and Exchange Commission Rules 1987 and other applicable laws and regulations.

The accounting policies and presentation used are in consistent with those of the annual financial statements, except depreciation on fixed assets. During the period on additions to fixed assets, 50% of depreciation is charged irrespective of the date of acquisition of such assets.

Fixed assets are stated at their historical cost less accumulated depreciation. Depreciation on fixed assets is charged on reducing balance method.

Inventories and stores are comprises of raw materials, packing materials, work in progress and finished goods. Inventories are valued at the lower of cost or sale price.

Transactions in Foreign Currencies are translated into BDT at the rate of exchange ruling on date of transaction. Monetary assets and liabilities in foreign currencies are translated into BDT at the rate of exchange ruling at the balance sheet date. Gains or losses resulting from foreign currency transactions are taken to the income statement.

There is no significant event to the end of the interim period that has to be reflected in the financial statement for the interim period.

Taxation

Income tax provision is made as per rate prevailing during that period specified by the Income Tax Ordinance 1984. Proper deferred tax assets / liabilities are calculated by the management in compliance with BAS-12.

Related Party Transactions

During the period the Company do not have any related party transaction with its sister concern.

Cash Flow Statement

Statement of Cash Flows is prepared in accordance with IAS-7. Cash Flow Statement and the cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Commissions Rules 1987.

Earnings per Share

Basic Earnings per Share (EPS) has been computed dividing the earnings attributable to the weighted average number of the ordinary shares during the period. This has been calculated in compliance with the requirements of BAS-33: Earnings Per Share by dividing the basic earnings by the number of ordinary shares outstanding end of the period.

Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. As there were no preference dividends, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Saiful Islam, ACMA
CFO
Dated: 24 April 2013
Dhaka

Abdus Salam Murshedy
Managing Director

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Chairman