



1. Activities of the Company

Envoy Textiles Limited, publicly listed company, 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.

2. Basis of preparation of the Interim Financial Statement

These are Interim Financial Statements of Envoy Textiles Limited for the Half year ended March 31, 2015, prepared in accordance with International Accounting Standard (IAS), Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, Securities and Exchange Commission Rules 1987 and other applicable rules and regulations.

These financial statements should read in conjunction with the Annual Financial Statements as of September 30, 2014. The accounting policies and presentation used are in consistent with those of the annual financial statements.

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

Inventories and stores are comprised of raw materials, packing materials, work in progress and finished goods. Inventories are valued at the lower of cost and net realizable value.

Transactions in foreign currencies are translated into Bangladeshi Taka (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.

3. Significant Events:

In the reporting period a significant variation of net operating profit has taken place compared to the corresponding period of the last year, because of the following profit-acceleration tools were being used successfully in operation:

1. Operational results of the enhanced production capacity because of the expansion.
2. Improvement of Denim order position during the period.
3. Reduction of raw material price (Cotton yarn).
4. Additional revenue generated from new product line (Yarn dyeing and rewinding).
5. Effective raw material sourcing through Sight LC instead of deferred LC by using low cost EDF facilitated by Bangladesh Bank.
6. Redemption of high cost loan by low cost offshore loan both short and long term.

3.1 New product line

The company introduced a fresh revenue segment by yarn dyeing and re-winding for local Knit Garments Manufacturing industry from mid of 2014. During the reporting period the company earned revenue of Tk. 7.45 Crore from this segment.

4.1 Taxation

Income tax provision is made as per applicable rate of the Income Tax Ordinance 1984 and related SRO. Proper deferred tax assets/liabilities are calculated by the management in compliance with BAS-12.

4.2 Related Party Transactions

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

4.3 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.

4.4 Earnings per Share

Basic Earnings per Share (EPS) has been computed dividing the earnings attributable to the number of the ordinary shares outstanding as at balance sheet date. 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.

4.5 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.

4.6 Workers' Profit Participation Fund

The company has charged @ 5.00% of net profit to workers profit participation fund for the half year ended March 31, 2015.

Saiful Islam, FCMA
CFO

Abdus Salam Murshedy
Managing Director

Kutubuddin Ahmed
Chairman

Dated: Wednesday, 22 April 2015
Dhaka



1ST DENIM PROJECT
IN **BANGLADESH**
WITH ROPE DYED TECHNOLOGY

HALF-YEARLY FINANCIAL REPORT 2015



Envoy Textiles Limited

CORPORATE OFFICE: Envoy Tower (5th -8th Floor)
18/E, Lake Circus, Kalabagan, West Panthapath
Dhaka-1205, Bangladesh, Phone :+88-02-9102583-90

MANUFACTURING PLANT: Jamirdia, Bhaluka
Mymensingh, Bangladesh

www.envoytextiles.com

ENVOY TEXTILES LIMITED

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, 2015

Wednesday, 22 April 2015

Dhaka

Kutubuddin Ahmed
Chairman

ENVOY TEXTILES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015

Particulars	Total (Tk.) 31 March- 15	Total (Tk.) 30 Sept- 14
ASSETS		
Non Current Assets	7,271,042,807	7,078,699,980
Property, Plant & Equipments, net of depreciation	5,447,243,200	5,553,965,920
Deferred Expenses	21,276,954	22,396,793
Capital work in Process	1,802,522,653	1,502,337,266
Current Assets	3,917,744,323	3,183,855,503
Inventories & Stores	1,168,559,561	983,462,632
Material in Transit	43,715,299	46,552,319
Accounts Receivable	1,863,475,561	1,394,634,113
Export incentive Receivable	544,629,821	445,642,378
Advance , Deposits & Prepayments	188,932,984	180,151,663
Investment	60,867,323	61,532,556
Cash and Cash Equivalents	47,563,774	71,879,843
Total Assets	11,188,787,130	10,262,555,483
EQUITY & LIABILITIES		
Authorised Capital	4,000,000,000	2,750,000,000
275,000,000 ordinary shares of Tk.10/= each.	2,750,000,000	1,500,000,000
125,000,000 Redeemable Preference Shares of Tk.10/= each.	1,250,000,000	1,250,000,000
Shareholders' Equity	5,587,547,147	5,402,532,947
Paid up Share Capital	1,448,128,500	1,405,950,000
Share Premium	1,120,000,000	1,120,000,000
Revaluation Surplus	1,734,152,527	1,739,304,433
Retained Earnings	957,343,930	809,356,324
Tax Holiday Reserve	327,922,190	327,922,190
Non-Current Liability	1,311,230,574	1,190,184,371
Secured Loan	1,311,230,574	1,190,184,371
Current Liabilities	4,290,009,409	3,669,838,164
Secured Loan (Current Portion)	216,792,294	420,534,767
Accounts Payable	801,809,216	810,282,016
Short Term Liabilities	3,038,268,078	2,291,491,404
Provision for Expenses	84,886,174	38,698,925
Provision for Current Tax	65,822,541	46,135,340
Provision for Deferred Tax	82,431,105	62,695,713
Total Liabilities & Shareholders' Equity	11,188,787,130	10,262,555,483

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

Saiful Islam

Saiful Islam, FCMA
CFO

Abdus Salam Murshedy

Abdus Salam Murshedy
Managing Director

Kutubuddin Ahmed

Kutubuddin Ahmed
Chairman

Dated: Wednesday, 22 April 2015

Dhaka

P-1

ENVOY TEXTILES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 MARCH 2015

Particulars	Six Months Ended		2nd Quarter Ended	
	Taka 31 March 15	Taka 31 March 14	Taka Jan to Mar 2015	Taka Jan to Mar 2014
Revenue	2,721,291,817	1,843,601,771	1,498,593,002	1,103,948,229
Less: Cost of Goods Sold	2,071,985,443	1,518,357,570	1,165,434,236	919,639,051
Gross Profit	649,306,373	325,244,201	333,158,767	184,309,178
Less: Operating Expenses	114,114,699	110,473,625	56,945,914	56,470,587
Administrative & General Expenses	89,164,180	87,596,979	43,399,684	42,984,175
Selling & Distribution Expenses	24,950,519	22,876,646	13,546,230	13,486,412
Profit/ (Loss) from Operation	535,191,675	214,770,576	276,212,853	127,838,592
Less: Financial Expenses	123,214,292	105,489,007	69,275,418	60,074,681
Profit/ (Loss) after Financial Expenses	411,977,383	109,281,569	206,937,435	67,763,911
Add: Other Income / Expenses	830,951	4,568,368	1,094,431	1,249,848
Net Profit/ (Loss) before WPPF	412,808,333	113,849,938	208,031,866	69,013,759
Less: Provision for Workers' Profit Participation Fund	19,657,540	5,421,426	9,906,279	3,286,369
Net Profit before Tax	393,150,794	108,428,512	198,125,586	65,727,389
Less: Provision for Current Tax	19,687,201	-	9,414,933	-
Less: Provision for Deferred Tax	19,735,392	7,235,183	9,551,624	3,894,976
Profit after Tax	353,728,200	101,193,329	179,159,030	61,832,413
Earning Per Share (EPS)	2.44	0.72	1.24	0.44
Restated Earning Per Share (REPS)	-	0.70	-	0.43

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

ENVOY TEXTILES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 MARCH 2015

Particulars	Share Capital (Taka)	Share Premium (Taka)	Revaluation (Taka)	Tax Holiday Reserve (Taka)	Retained Earnings (Taka)	Total (Taka)
At the beginning of the year	1,405,950,000	1,120,000,000	1,739,304,433	327,922,190	809,356,324	5,402,532,947
Add: Issuance of Bonus Share	42,178,500					42,178,500
Add: Net Profit During the Period					353,728,200	353,728,200
Less: Declaration of Dividend- 2014					(210,892,500)	(210,892,500)
Depreciation on Revaluation Surplus			(5,151,906)		5,151,906	-
As at 31.03.2015	1,448,128,500	1,120,000,000	1,734,152,527	327,922,190	957,343,930	5,587,547,148

ENVOY TEXTILES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 MARCH 2014

Particulars	Share Capital (Taka)	Share Premium (Taka)	Revaluation (Taka)	Tax Holiday Reserve (Taka)	Retained Earnings (Taka)	Total (Taka)
At the beginning of the year	1,365,000,000	1,120,000,000	1,749,817,068	327,922,190	760,918,627	5,323,657,885
Add: Issuance of Bonus Share	40,950,000					40,950,000
Add: Net Profit During the Period					101,193,329	101,193,329
Less: Declaration of Dividend-2013					(273,000,000)	(273,000,000)
Depreciation on Revaluation Surplus			(5,256,317)		5,256,317	-
As at 31.03.2014	1,405,950,000	1,120,000,000	1,744,560,750	327,922,190	594,368,273	5,192,801,214

Saiful Islam

Saiful Islam, FCMA
CFO

Dated: Wednesday, 22 April 2015

Dhaka

P-2

Abdus Salam Murshedy

Abdus Salam Murshedy
Managing Director

Kutubuddin Ahmed

Kutubuddin Ahmed
Chairman

ENVOY TEXTILES LIMITED
STATEMENT OF CASH FLOW
FOR THE HALF YEAR ENDED 31 MARCH 2015

Particulars	Six Months Ended	
	TAKA 31 March 2015	TAKA 31 March 2014
Cash Flows From Operating Activities: (A)		
Collection from Turnover and Others	2,154,293,876	1,807,419,476
Cash Payment to Creditors	(1,889,754,810)	(1,529,968,541)
Cash Payment for Operating Expenses	(98,394,117)	(62,852,269)
Income Tax Paid and Deducted at source	(12,329,105)	(20,633,810)
Financial Expenses	(112,646,231)	(101,771,363)
Net Cash Provided by Operating activities	41,169,613	92,193,493
Net operating cash flow per share	0.28	0.66
Cash Flows From Investing Activities: (B)		
Purchase of Fixed Assets	(265,120,783)	(731,016,285)
Investment	665,233	17,783,726
Capital work in Process	(300,185,387)	(546,191,019)
Net Cash Used in Investing Activities	(564,640,937)	(1,259,423,578)
Cash Flows From Financing Activities: (C)		
Long Term Liabilities	121,046,203	655,112,762
Long Term Liabilities (Current Portion)	(203,742,472)	(88,709,306)
Short Term Liabilities	746,776,675	841,395,033
Payment of cash Dividend	(164,925,149)	(229,525,046)
Net Cash Provided by Financing Activities	499,155,255	1,178,273,443
Net Increase in Cash [A+B+C]	(24,316,069)	11,043,358
Add: Cash at the Opening	71,879,843	31,204,759
Cash at end year	47,563,774	42,248,117

Saiful Islam

Saiful Islam, FCMA
CFO

Dated: Wednesday, 22 April 2015
Dhaka

Abdus Salam Murshedy

Abdus Salam Murshedy
Managing Director

Kutubuddin Ahmed

Kutubuddin Ahmed
Chairman



P-3