

THE UN-AUDITED ACCOUNTS

OF

ENVOY TEXTILES LIMITED

FOR THE THIRD QUARTER ENDED 31ST MARCH, 2019

ENVOY TEXTILES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2019

Particulars	TAKA 31st March 2019	TAKA 30th June 2018
ASSETS:		
Non Current Assets	11,189,777,346	11,165,178,556
Property, Plant & Equipments, net of depreciation	11,189,777,346	9,607,848,564
Capital work in Process	-	1,557,329,992
Current Assets	6,638,561,040	6,299,459,090
Inventories & Stores	2,584,594,568	2,645,507,118
Materials in Transit	391,766,713	207,265,197
Trade and Others Receivable	3,419,061,752	3,147,123,680
Advance , Deposits & Prepayments	195,915,280	145,641,186
Investment	11,767,999	54,907,662
Cash and Cash Equivalents	35,454,728	99,014,247
Total Assets	17,828,338,386	17,464,637,646
EQUITY & LIABILITIES:		
Authorised Capital	4,000,000,000	4,000,000,000
275,000,000 Ordinary Shares of Tk.10/= each.	2,750,000,000	2,750,000,000
125,000,000 Redeemable Preference Shares of Tk.10/= each.	1,250,000,000	1,250,000,000
Shareholder's Equity	6,514,902,715	6,251,205,269
Paid up Share Capital	1,677,347,670	1,644,458,500
Share Premium	1,120,000,000	1,120,000,000
Revaluation Surplus	1,705,159,936	1,713,134,427
Retained Earnings	1,684,472,919	1,445,690,152
Tax Holiday Reserve	327,922,190	327,922,190
Non-Current Liabilities	5,007,988,891	4,703,544,148
Long Term Loan	4,792,672,597	3,893,868,051
Long Term Loan (Current Portion)	184,298,067	787,576,054
Provision for Deferred Tax	31,018,227	22,100,044
Current Liabilities	6,305,446,779	6,509,888,229
Short Term Liabilities	5,712,548,125	5,712,381,266
Accounts Payable	373,832,220	650,082,956
Provision for Expenses	129,235,471	93,842,416
Provision for Current Tax	89,830,964	53,581,591
Total Liabilities & Shareholders' Equity	17,828,338,386	17,464,637,646
NAV Per Share	38.84	38.01

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Saiful Islam, FCMA CFO	M.Saiful Islam Chowdhury FCS Company Secretary	Tanvir Ahmed Director	Abdus Salam Murshedy Managing Director	Kutbuddin Ahmed Chairman

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

Dated: April 30, 2019
Dhaka

ENVOY TEXTILES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED MARCH 31 2019

Particulars	Nine Months Ended		Three Months Ended	
	TAKA 31st Mar- 19	TAKA 31st Mar- 18	TAKA 31st Mar- 19	TAKA 31st Mar- 18
Revenue	6,816,049,119	5,493,341,476	2,297,653,557	1,827,032,691
Less: Cost of Goods Sold	5,511,561,702	4,547,445,006	1,874,442,744	1,511,836,875
Gross Profit	1,304,487,417	945,896,470	423,210,813	315,195,815
Less: Operating Expenses	226,951,101	219,467,505	74,925,155	76,867,599
Administrative & General Expenses	176,663,710	173,328,775	61,732,728	62,534,387
Selling & Distribution Expenses	50,287,391	46,138,730	13,192,427	14,333,213
Profit/ (Loss) from Operation	1,077,536,316	726,428,966	348,285,658	238,328,216
Less: Financial Expenses	573,185,976	458,362,536	178,185,455	148,236,952
Profit/ (Loss) after Financial Expenses	504,350,340	268,066,430	170,100,203	90,091,264
Add: Other Income / (Expenses)	999,271	722,241	102,725	20,121
Net Profit/ (Loss) before WPPF	505,349,611	268,788,670	170,202,928	90,111,385
Less: Workers Profit Participation Fund Expenses	24,064,267	12,799,460	8,104,901	4,291,018
Net Profit before Tax	481,285,344	255,989,210	162,098,027	85,820,366
Less: Provision for Current Tax	36,249,373	40,840,185	22,890,218	13,053,668
Less: Provision for Deferred Tax	8,918,183	(20,949,476)	(7,699,006)	(6,211,680)
Profit after Tax	436,117,788	236,098,501	146,906,815	78,978,378
Earning Per Share (EPS)	2.60	1.44	0.88	0.48
Diluted / Restated Earning Per Share	-	1.41	-	0.47

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Saiful Islam, FCMA CFO	M.Saiful Islam Chowdhury FCS Company Secretary	Tanvir Ahmed Director	Abdus Salam Murshedy Managing Director	Kutubuddin Ahmed Chairman

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Dated: April 30, 2019
Dhaka

ENVOY TEXTILES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED MARCH 31 2019

Particulars	Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Reserve	Retained Earnings	Total Amount BDT
Balance as at 01.07.2018	1,644,458,500	1,120,000,000	1,713,134,427	327,922,190	1,445,690,152	6,251,205,269
Add: Issuance of Bonus Share	32,889,170					32,889,170
Add: Net Profit During the Period					436,117,788	436,117,788
Less: Declaration of Dividend- 2018					(197,335,020)	(197,335,020)
Depreciation on Revaluation Surplus			(7,974,491)			(7,974,491)
Balance as at 31.03.2019	1,677,347,670	1,120,000,000	1,705,159,936	327,922,190	1,684,472,920	6,514,902,716

STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED MARCH 31 2018

Particulars	Share Capital Taka	Share Premium Taka	Revaluation Taka	Tax Holiday Reserve	Retained Earnings	Total Amount BDT
Balance as at 01.07.2017	1,566,150,960	1,120,000,000	1,724,109,852	327,922,190	1,292,713,845	6,030,896,848
Add: Issuance of Bonus Share	78,307,540					78,307,540
Add: Net Profit During the Period					236,098,501	236,098,501
Less: Declaration of Dividend- 2017					(187,938,107)	(187,938,107)
Depreciation on Revaluation Surplus			(8,231,569)		8,231,569	-
Balance as at 31.03.2018	1,644,458,500	1,120,000,000	1,715,878,284	327,922,190	1,349,105,808	6,157,364,782

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Saiful Islam, FCMA CFO	M.Saiful Islam Chowdhury FCS Company Secretary	Tanvir Ahmed Director	Abdus Salam Murshedy Managing Director	Kutubuddin Ahmed Chairman

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

Dated: April 30, 2019
Dhaka

ENVOY TEXTILES LIMITED
STATEMENT OF CASH FLOW
FOR THE THIRD QUARTER ENDED MARCH 31 2019

Particulars	TAKA 31st March 19	TAKA 31st March 18
Cash Flow From Operating Activities: (A)		
Collection from Turnover and Others	6,545,110,318	5,463,526,688
Cash Payment to Creditors	(5,389,319,310)	(4,495,214,392)
Cash Payment for Operating Expenses	(251,824,280)	(205,089,244)
Income Tax Paid and Deducted at Source	(36,249,373)	(40,840,186)
Financial Expenses	(551,655,674)	(405,272,387)
Net Cash Provided by Operating activities	316,061,682	317,110,479
Net Operating Cash Flow Per Share	1.88	1.93
Restated (NOCFPS)		1.89
Cash Flows From Investing Activities: (B)		
Purchase of Fixed Assets	(2,111,679,065)	(932,409,163)
Investment	43,139,663	(12,066,996)
Capital Work in Process	1,557,023,691	335,891,592
Net Cash Used in Investing Activities	(511,515,711)	(608,584,566)
Cash Flows From Financing Activities: (C)		
Long Term Liabilities	898,804,546	48,014,882
Long Term Liabilities (Current Portion)	(603,277,986)	(525,919,251)
Short Term Liabilities	166,859	843,750,284
Payment of Cash Dividend	(163,798,908)	(109,052,196)
Net Cash Used in / Provided by Financing Activities	131,894,511	256,793,719
Net Decrease in Cash [A+B+C]	(63,559,519)	(34,680,368)
Add: Cash at the Opening	99,014,247	82,204,684
Cash at end of the year	35,454,728	47,524,316

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Saiful Islam, FCMA CFO	M.Saiful Islam Chowdhury FCS Company Secretary	Tanvir Ahmed Director	Abdus Salam Murshedy Managing Director	Kutubuddin Ahmed Chairman

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

Dated: April 30, 2019
Dhaka

Envoy Textiles Limited

Notes to the Interim Financial Statements
For the period of Nine Months ended March 31, 2019

1. 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.

2. Basis of preparation of the Interim Financial Statement

These are Interim Financial Statements of Envoy Textiles Limited for the Nine Months ended March 31, 2019 prepared in accordance with International Accounting Standard (IAS 34). These financial statements should read in conjunction with the Annual Financial Statements as of June 30, 2018. The accounting policies and presentation used are in consistent with those of the annual financial statements.

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

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 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 Event:

During the reporting period there has been increase of both revenue and net profit due to improvement of production capacity utilization in both the denim and spinning unit. During this period there are no reportable significant differences in Net Operating Cash Flow Per Share.

4.1 Taxation

Income tax provision is made as per rate prevailing during that period specified by the Income Tax Ordinance 1984. Deferred Income Tax expenses and liabilities is arise BDT 1.13 crore for the adjustable temporary difference during the period from 01 July 2018 to 31st March 2019 as per compliance with IAS-12.

4.2 Related Party Transactions

During the reporting period from July 01, 2018 to March 31, 2019 following transactions incurred with related party as per IAS-24 in the form of Sales of Finished goods against export LC.

Sl.	Particulars	Opening	Addition	Adjustment/ Realized	Balance
1	M/S Armor Garments Ltd	-	49,092,473	36,536,399	12,556,074
2	M/S Envoy Fashion Ltd.	26,461,015	94,223,810	47,474,360	73,210,465
3	M/S Epoch Garments Ltd.	7,534,206	48,480,670	22,123,681	33,891,195
4	M/s Manta Apparels Ltd.	1,696,339	11,745,390	10,609,142	2,832,587
5	M/S Olio Apparels Ltd.	2,715,388	24,114,674	17,963,068	8,866,994
	Total-	38,406,948	227,657,017	134,706,650	131,357,315

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 IAS-33: Earnings per share by dividing the basic earnings by the number of ordinary shares outstanding end of the period and during this period here are no potential dilution of Earnings per share.

4.5 Basic Earnings

This represents earnings for the period 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 as expenses @ 5.00% of net profit to workers profit participation fund for the Nine months ended March 31 2019 and presenting the outstanding balance of the same in the note No. 23.01 of the annual audited financial statements.