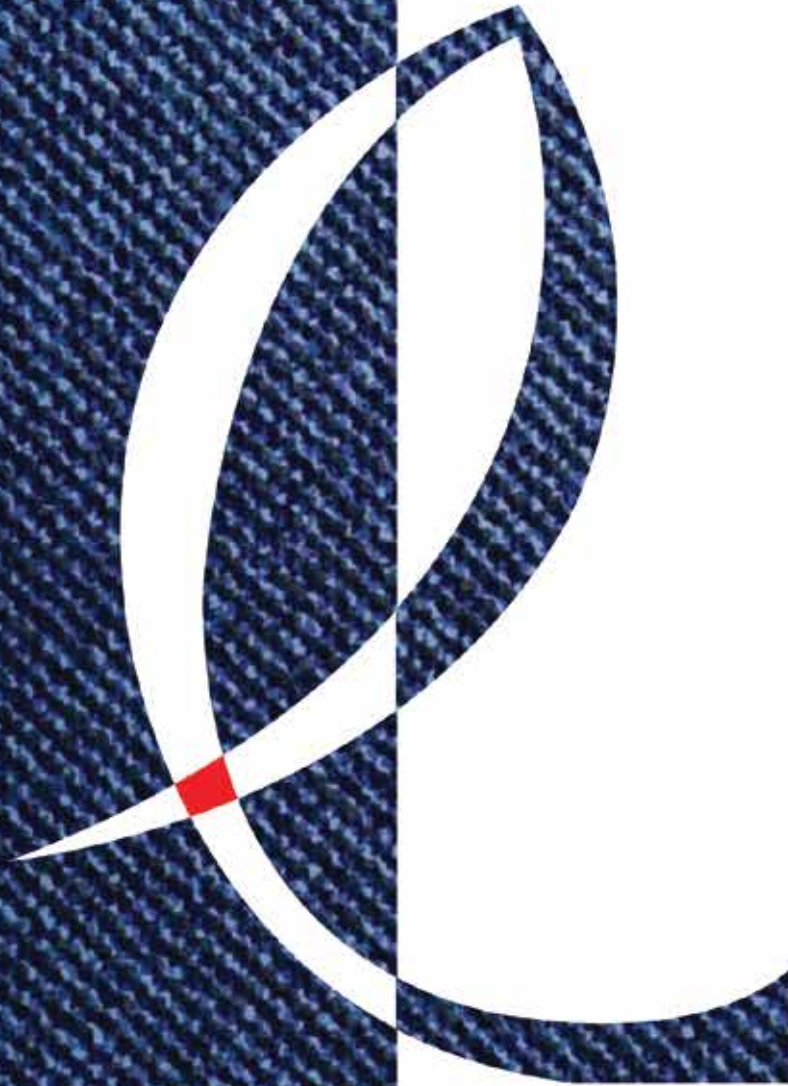


ANNUAL REPORT 2020



ENVOY TEXTILES LIMITED



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

DENIM IS IN OUR NATURE

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Letter of Transmittal

All Shareholders,
Registrar of Joint Stock Companies & Firms,
Bangladesh Securities and Exchange Commission,
Dhaka Stock Exchange Limited and
Chittagong Stock Exchange Limited

Sir:

ANNUAL REPORT -2020

We have the pleasure in submitting the Annual Report-2020 of Envoy Textiles Ltd, as required by and prepared in compliance with the provision of the Companies Act, 1994, Securities & Exchange Ordinance 1969, Securities & Exchange Rules 1987, Notification of Bangladesh Securities & Exchange Commission and Dhaka Stock Exchange (Listing) Regulations, 2015

Thank you

Best Regards

M Saiful Islam Chowdhury FCS
Company Secretary

Tuesday, 01 December 2020
Dhaka



ENVOY TEXTILES LIMITED

Notice of the 25th Annual General Meeting

Notice is hereby given that the 25th Annual General Meeting (AGM) of the Shareholders of Envoy Textiles Limited will be held on Monday, 28 December 2020 at 11:00 AM [Dhaka local time] by digital platform to transact the following business:

AGENDA

- Agenda 1: To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June 2020 together with the Reports of the Directors' and the Auditors' thereon;
- Agenda 2: To declare dividend for the year ended 30 June 2020;
- Agenda 3: To elect Directors in accordance with the provision of Articles of Association of the Company;
- Agenda 4: To reappoint Managing Director;
- Agenda 5: To appoint Auditors of the Company for the term until the completion of 26th Annual General Meeting and fixation of their remuneration; and
- Agenda 6: To appoint a Professional Accountant/Secretary for the year 2020-21

By order of the Board

M Saiful Islam Chowdhury, FCS
Company Secretary
Tuesday, 13 October 2020

Notes:

- (i) Shareholders whose names would appear in the Depository Register on the Record Date i.e. 15 November 2020 shall be eligible to participate the 25th AGM and entitled to Dividend.
- (ii) Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Order, the AGM will be virtual meeting of the Members, which will be conducted via live streaming by using digital platform.
- (iii) [The shareholders' are requested to participate at the meeting by login to the following link: https://envoytex.bdvirtualagm.com](https://envoytex.bdvirtualagm.com)
- (iv) The Members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging in to the system, the Members need to put their 16-digit Beneficial Owner (BO) ID number and other credential as proof of their identity.
- (v) The proxy form must be affixed with requisite revenue stamp and deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
- (vi) Pursuant to the BSEC Notification, the soft copy of the Annual Report 2020 is to be sent to the email addresses of the Members available in their BO accounts maintained with the Depository and this Report will also be available in the Company's website at <http://www.envoytextiles.com/investors-reports.php>



EXPLANATORY NOTES

TO THE AGENDA FOR THE 25th ANNUAL GENERAL MEETING OF SHAREHOLDERS OF ENVOY TEXTILES LTD.

[The following Explanatory Statement sets out material facts relating to the businesses to be at the 25th Annual General Meeting of the Company scheduled for 28 December 2020]

Agenda 1: To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June 2020 together with the Reports of the Directors' and the Auditors' thereon;

The Annual Report for 2020 contains the Annual Accounts for the year ended 30 June 2020 together with the Reports of the Auditors' thereon and the report from the Board of Directors.

The Annual Accounts for the financial year 2019-2020 have been executed by the members of the Board and duly approved by the Audit Committee. These Financial Statements have been appropriately reviewed by CEO and CFO of the Company before submission to the Audit Committee. M/S Mahfel Huq & Co., Chartered Accountants, external Auditors of the Company, has issued an unqualified audit opinion, which has been included in the Annual Accounts for the financial year 2019-2020

Pursuant to the section 183 & 184 of the Companies Act, 1994, the directors are required to present to the Shareholders at the Annual General Meeting, the Directors' Report and Annual Audited Financial Statements including Auditors Report thereon.

It is proposed to adopt the Annual Accounts for the financial year 2019-2020 together with the Reports of the Directors' and the Auditors' thereon.

Agenda 2: To declare dividend for the year ended 30 June 2020;

Net income attributable to Shareholders amounted to Taka 274.12 million, Earnings per Share (EPS) consequently amounted to Taka 1.63 in Financial Year 2019-2020. The Board of Directors recommended 5% Cash Dividend i.e. Tk.0.50 for every share of Tk.10.00 each for the year ended 30 June 2020 in its Meeting held on 12 October 2020 to the General Meeting of Shareholders to be held on 28 December 2020. Payment of dividend for the year ended 30 June 2020 as recommended by the Board, if approved at the General Meeting, will be payable on or before 27 January 2021 after the Annual General Meeting according to Bangladesh Securities & Exchange Commission (BSEC) notification No. SEC/CMRRCD /2009-193/18 /Admin/ dated 09 February 2010 in respect of shares held to those members whose names appear in the statement of beneficial owners to be furnished by Central Depository Bangladesh Limited (CDBL) at Record Date on 15 November 2020

Members are requested to submit to the Company's Registered/Corporate Office on or before 29 December 2020, their written option to receive dividend. In case of non-submission of such option within the stipulated time, the dividend will be paid as deemed appropriate by the Company.

Agenda 3: To elect Directors in accordance with the provision of Articles of Association of the Company;

In accordance with Article No. 125 and 126 of the Articles of Association of Envoy Textiles Limited, Director & Chairman Mr. Kutubuddin Ahmed, Director Mrs. Rashida Ahmed and Director Mrs. Sharmin Salam of the Company to be retired from office of directorship and being eligible, they offered themselves for re-election.

As the Board of Directors greatly values the contribution of Mr. Kutubuddin Ahmed, Mrs. Rashida Ahmed and Mrs. Sharmin Salam for development of the Company and their commitment shown in their responsibilities as the members of the Board, it is proposed to re-elect Mr. Kutubuddin Ahmed, Mrs. Rashida Ahmed and Mrs. Sharmin Salam as members of the Board of the Company for a period until retired by rotation as per section 91 of the Companies Act, 1994 and relevant provisions of the Articles of Association.



Agenda 4: To reappoint Managing Director;

Mr. Abdus Salam Murshedy, MP was appointed as Managing Director of the Company for a period of 5 years at the 20th Annual General Meeting of the Company held on 26 December 2015. His appointment will expire on the 25th AGM.

The Board of Directors of the Company at its meeting held on 12 October 2020, subject to the approval of the members of the Company at 25th AGM, approved the re-appointment of Mr. Abdus Salam Murshedy as Managing Director of the Company for a period of 5 years.

Mr. Abdus Salam Murshedy, MP has been on the Board of Directors of the Company since incorporation by virtue of Articles of Association of the Company and providing his strategic and general management expertise to the Company. Mr. Murshedy aged 57 years, is graduated from University of Dhaka. He started his career with RMG and is President of the Exporters Association of Bangladesh and Ex-President of BGMEA. He has been engaged in the development of Bangladesh football for a long immediately after retiring as a national football team player and he is serving as senior vice president of Bangladesh Football federation. He is the member of parliament for consecutive two terms.

Agenda 5: To appoint Auditors of the Company for the term until the completion of 26th Annual General Meeting and fixation of their remuneration; and

M/S Mahfel Huq & Co., Chartered Accountants has carried out the audit of the Company for the year 2019-2020 and completed 2nd year of audit after appointment.

They are eligible to continue in accordance with the provision of BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018 and Regulation No. 15(3) of Stock Exchanges (Listing) Regulations, 2015 and they have expressed their intention to be reappointed for the next term at an increased fee.

In recommendation of the Audit Committee, the Board at a Meeting held on 12 October 2020 proposed for reappointment of M/S Mahfel Huq & Co., Chartered Accountants to hold office for the period until conclusion of 26th Annual General Meeting of the Company for auditing the accounts for the year ended 30 June 2020

It is noted that M/S Mahfel Huq & Co., Chartered Accountants is in the panel Auditors by BSEC.

It is proposed to appoint M/S Mahfel Huq & Co., Chartered Accountants, in compliance with the section 210 of the Companies Act, 1994 & BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, as an external auditors of the Company charged with the auditing of the Annual Accounts for the financial year 2020-2021 at such amount of remuneration to be fixed at 25th Annual General Meeting.

Agenda 6: To appoint a Professional Accountant/Secretary for the year 2020-21

It is required to appoint a practicing Professional Accountant/ Secretary for the year 2020-21 for conducting compliance audit on corporate governance code by Bangladesh Securities & Exchange Commission (BSEC) in compliance with the provision of 9(1) of BSEC Notification in this regard dated 3 June 2018, Ref. No. # BSEC/CMRRCD/2006-158/207/Admin/80 in order to obtain a certificate on compliance of conditions of the said Corporate Governance Code of the Commission.

The Board proposed the name of M/S ARTISAN, Chartered Accountants, of Shah Ali Tower (6th Floor) 33, Kawran Bazar, Dhaka-1215 for appointment to conduct the compliance audit for the year 2020-2021 at a remuneration to be fixed at Annual General Meeting.



CORPORATE PROFILE

VISION

To become the most trusted quality denim manufacturer in the region through product innovation and on-time performance.

MISSION

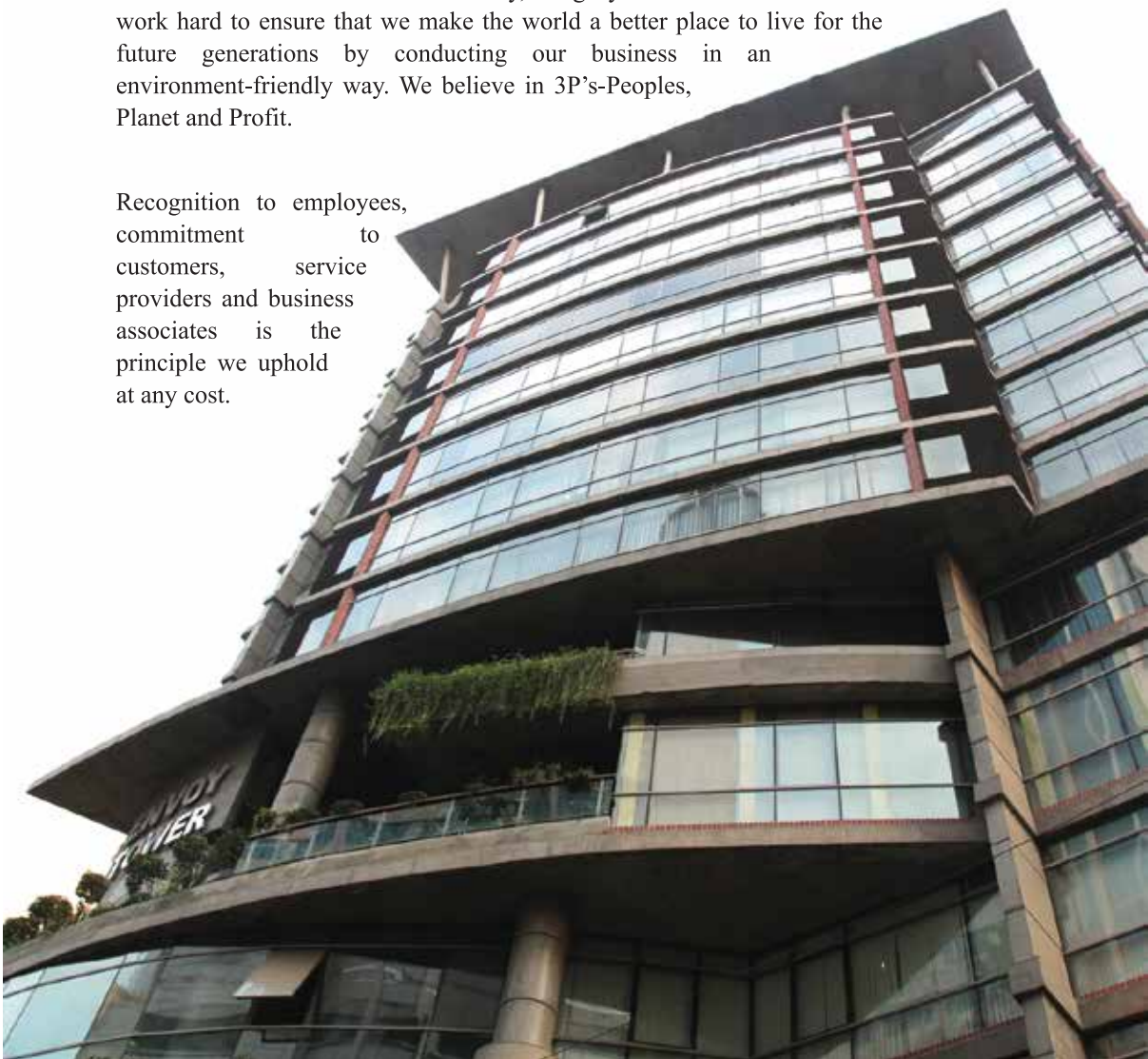
To achieve global dominance –through:

- Excellence in product quality
- Diversifying products through continuous product innovation
- Focusing on cost effectiveness
- Customer satisfaction

VALUES

We value the people we work with. We strive to train, motivate and encourage them to take greater responsibilities; groom them to become outstanding performers; ensure them to conduct business with utmost sincerity, integrity and in the most ethical manner. We work hard to ensure that we make the world a better place to live for the future generations by conducting our business in an environment-friendly way. We believe in 3P's-Peoples, Planet and Profit.

Recognition to employees, commitment to customers, service providers and business associates is the principle we uphold at any cost.





ABOUT THE COMPANY

Incorporated as a Private Limited Company in 1995, before being converted into a Public Limited Company in 2009, Envoy Textiles Limited - a manufacturer of 100% export-oriented denim fabric, is the 1st denim project in Bangladesh with rope-dyed technology and one of the country's leading companies in this sector.

Envoy Textiles Limited went into commercial operations in 2008 and got an associate company- Edge Denims Limited amalgamated with it in 2009, designed for setting off a new era of excellence in management, cost control, and avoidance of complications in business dealings and operations. In June 2012, the company obtained consent, from the Bangladesh Securities and Exchange Commission, for raising funds through Initial Public Offerings (IPO) and thus got listed with DSE and CSE at the end of same year.

The factory of Envoy Textiles is located in Jamirdia, Bhaluka, Mymensingh, around 71 km North from Dhaka City. The total land area, registered in the name of the company, is around of 126 Bigha. The layout plan is so beautifully designed as to produce a very scenic and eye-catching landscape all around.

SPINNING PLANT

As backward integration of Denim production, Envoy Textiles has its own Spinning unit inside the factory compound with a size of 320,000 sq. ft. floors, producing around 65-68 MT of Yarn per day, with an annual production capacity of 23,800MT.

The Spinning unit with state-of- the art technology, producing yarn mostly for own consumption for the production of quality Denim fabric.

With all European machineries, the unit came into commercial operation from end of 2016

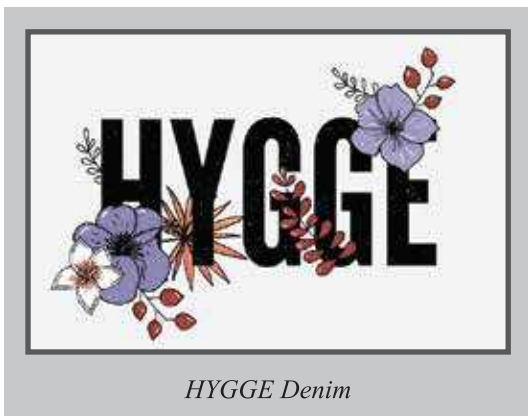
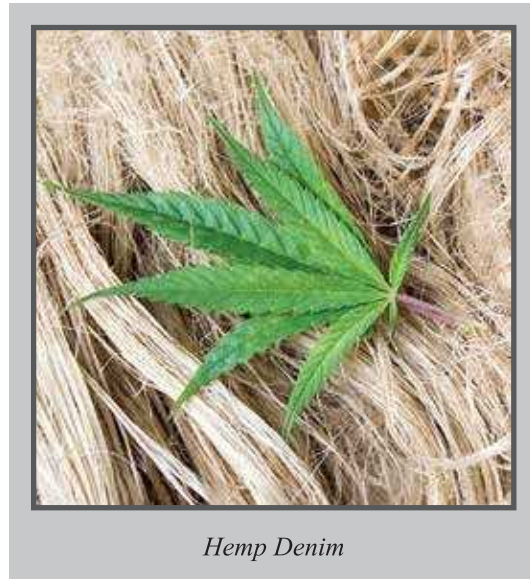
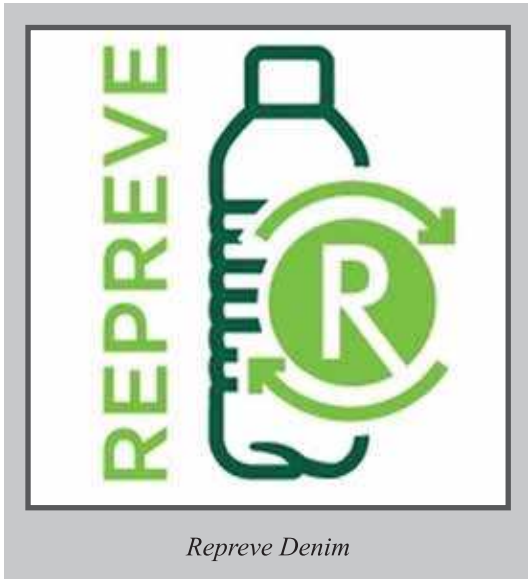
PRODUCTS

Envoy Textiles Limited is a leading denim manufacturing company with a yearly production capacity of 52.00 million yards. The Company produces a range of high quality denim products featuring a wide range of yarns and weaves in various shades of indigo and black. The Company specializes in 4.5 oz to 14.75 oz ring and open-end denim, and uses stretch, mill wash, and modern finishing processes for products intended for the new age consumers, featuring ring-ring constructions in pure indigo and sanforized denim. Envoy Textiles specializes in basic indigo products and plans to move up the value chain to cater to the most refined customers.

Research and Development occupies high importance in the company for product innovation, variations, color combinations for consumers with exclusive taste. This has contributed in seizing new opportunities, newer markets and fashionable customers across the globe on an increasing note.

OUR PRODUCT RANGE







Jogger Friendly Denim



Archroma Blue Specialties Denim



*Archroma ADVANCED DENIM
technology Denim*



Ozone Finished Denim



Bi-Stretch-Slub Denim



Laser Friendly Denim



ROICA™ V550 Denim



Refibra Denim



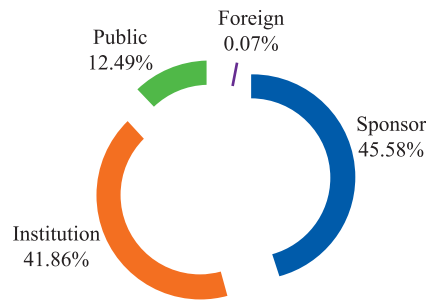
SHAREHOLDING STRUCTURE

As on 30 June 2020

Authorised Capital:	4,000,000,000
275,000,000 Ordinary Shares of Tk.10.00 each.	2,750,000,000
125,000,000 Redeemable Preference Shares of Tk.10.00 each.	1,250,000,000
Issued, Subscribed and Paid up Share Capital:	
167,734,767 Ordinary Shares of Tk.10.00 each.	1,677,347,670

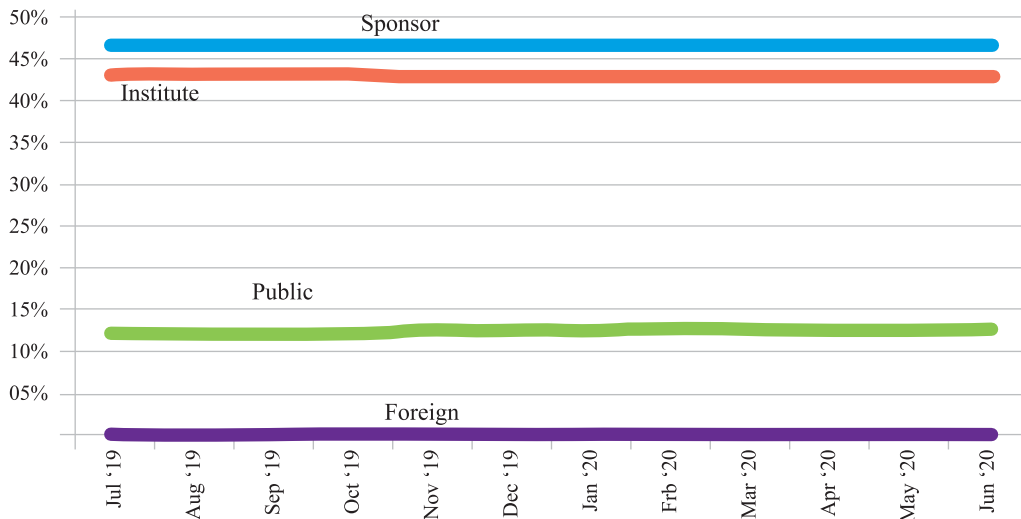
Shareholdings Category	Number of Shares	In %
Sponsors/Directors	76,453,883	45.58
General Shareholders (Individual)	20,955,930	12.49
General Shareholders (Institution)	70,214,668	41.86
Foreign Shareholders	110,286	0.07
Total	167,734,767	100.00

Shareholding structure by category in graph as on 30 June 2020



Month-end shareholding structure by category in percentage for the period from July 2018 to June 2019

	July '19	Aug '19	Sep '19	Oct '19	Nov '19	Dec '19	Jan '20	Feb '20	Mar '20	Apr '20	May '20	Jun '20
Sponsor	45.59	45.59	45.58	45.58	45.58	45.58	45.58	45.58	45.58	45.58	45.58	45.58
Institute	42.30	42.35	42.36	42.40	41.97	42.00	41.97	41.91	41.91	41.91	41.85	41.86
Foreign	0.06	0.06	0.07	0.07	0.07	0.06	0.07	0.07	0.07	0.07	0.07	0.07
Public	12.05	12.00	11.99	11.95	12.38	12.36	12.38	12.44	12.44	12.44	12.50	12.49





COMPANY INFORMATION

Legal Form	Envoy Textiles Limited was incorporated on June 18, 1995 as a Private Limited Company under Companies Act, 1994, on September 30, 2009 the Company amalgamated with Edge Denims Limited and on October 25, 2009 it converted into a Public Limited Company. The Company listed with Dhaka & Chittagong Stock Exchange Ltd. in the year 2012
Company Incorporation No.	C -28622(2468)/95
Hong Kong Business Registration No.	55558757-000-04-16-3
Tax Identification Number (TIN)	657558493737
VAT Registration Number	18061005834
BIN Number	000333127
Statutory Auditors	M/S Mahfel Huq & Co. Chartered Accountants BGIC Tower (4th Floor) 34, Topkhana Road, Dhaka-1000
Corporate Governance Auditors	M/S ARTISAN Chartered Accountants Shah Ali Tower (6th Floor) 33, Kawran Bazar, Dhaka-1215
Membership	Bangladesh Textiles Mills Association (BTMA) Bangladesh Association of Publicly Listed Company International Chamber of Commerce-Bangladesh Bangladesh Employers Fedaration India-Bangladesh Chamber of Commerce & Industry Korea-Bangladesh Chamber of Commerce & Industry Metropolitan Chamber of Commerce & Industry Dutch-Bangla Chamber of Commerce & Industry Spain Bangladesh Chamber of Commerce & Industry
Legal Advisor	Mr. Md. Fazlur Rahman Khan, Advocate Bangladesh Supreme Court 9/2 Kabi Jashimuddin Road, Dhaka-1217
Registered & Corporate Office	Envoy Tower 18/E, Lake Circus, Kalabagan (West Panthapath) Dhaka- 1205, Phone: +880-2-9102583-90 Fax : +880-2-9130162
Hong Kong Office	Unit-H, 16th Floor King Palace Plaza 55 King Yip Street Kwun Tong, Kowloon, Hongkong Phone: +852-23779860, 23779870 Fax : +852-23779899



Factory Address

Jamirdia, Bhaluka
Mymensingh, Bangladesh
Phone: 0682- 555037-40, Fax : 0682-555008

Web Address

www.envoytextiles.com

E-mail Address

info@envoytextiles.com

Lead Bankers

Southeast Bank Limited
New Elephant Road Branch
Dhaka

HSBC Limited
Anchor Tower, 1/1-B Sonargoan Road, Dhaka

Pubali Bank Limited
Mohakhali Corporate Branch
73 Mohakhali C/A, Dhaka- 1212

Mutual Trust Bank Ltd.
MTB Center, 26 Gulshan Avenue, Dhaka

Dutch-Bangla Bank Ltd.
195, Motijheel C/A, Dhaka-1000

Standard Chartered Bank
SCB House, 67 Gulshan Avenue, Dhaka

Lead Insurers

Bangladesh General Insurance Co. Ltd.
42, Dilkusha C/A, Dhaka-1000.

Progati Insurance Ltd.
20-21, Kawran Bazar, Dhaka



BOARD COMPOSITION & BOARD COMMITTEES

Board of Directors:

Mr. Kutubuddin Ahmed	Chairman
Mr. Abdus Salam Murshedy, MP	Managing Director
Mrs. Rashida Ahmed	Director
Mrs. Sharmin Salam	Director
Mr. Tanvir Ahmed	Director
Barrister Shehrin Salam Oishee	Director
Mrs. Sumayyah Ahmed	Director
Mr. Ishmam Salam	Director
Mr. Syed Shahed Reza	Independent Director
Mr. Itrat Husain FCMA, FCS	Independent Director

Audit Committee:

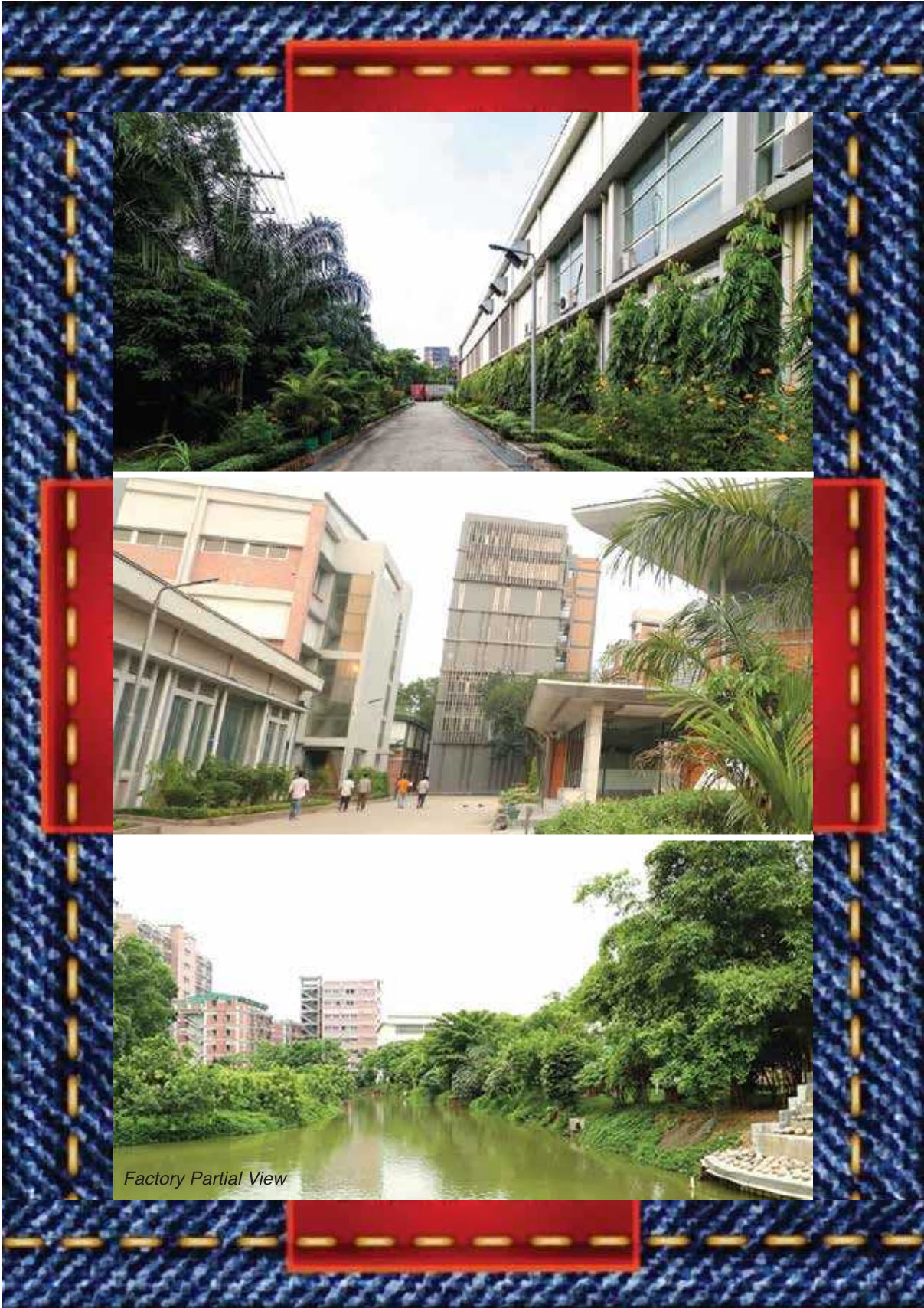
Name	Designation	Position in the Committee
Mr. Itrat Husain FCMA, FCS	Independent Director	Chairman
Mrs. Rashida Ahmed	Director	Member
Mrs. Sharmin Salam	Director	Member
Mr. Tanvir Ahmed	Director	Member
Barrister Shehrin Salam Oishee	Director	Member
Mr. M Saiful Islam Chowdhury FCS	Company Secretary	Member Secretary

Nomination and Remuneration Committee:

Name	Designation	Position in the Committee
Mr. Syed Shahed Reza	Independent Director	Chairman
Mrs. Rashida Ahmed	Director	Member
Mrs. Sharmin Salam	Director	Member
Mr. M Saiful Islam Chowdhury FCS	Company Secretary	Member Secretary

Company Secretary:

Mr. M Saiful Islam Chowdhury FCS	saiful.chowdhury@envoytextiles.com
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Factory Partial View



BOARD OF DIRECTORS



Kutubuddin Ahmed
Chairman

Born on 21st January 1956 in Dhaka, Mr. Kutubuddin Ahmed graduated in Mechanical Engineering from Bangladesh University of Engineering and Technology (BUET). He set up his business organization 'Envoy Ltd.' in 1984. Starting with a single Garment manufacturing unit, the group has emerged today as one of the largest and thriving business conglomerates in Bangladesh.

He is focused on the organization's growth by continuously improving the products, services and processes; developing the people; deploying new technologies and working closely with the stakeholders. His primary objective is to accomplish the mission of Envoy Textiles Ltd., which is to be a one of the best world class denim Textiles manufacturers in Asia.

Throughout in his business career he has performed exceptionally well and reached to these heights where he has created a benchmark.

A widely known business personality, Mr. Ahmed is associated with a number of business, trade & organizations.

Mr. Abdus Salam Murshedy MP, Managing Director and founder of Envoy Textiles Ltd is a dynamic personality infused with entrepreneurial spirit. His far-sighted vision and keen business acumen provide the necessary leadership and impetus to the group activities. He has more than three decade's experience in Apparel & Textiles business.

Mr. Murshedy is closely associated to the Garment movement in Bangladesh. He is one of the finest sport personalities in the country and active organizer.

He started his business career with RMG in 1984 and is President of the Exporters Association of Bangladesh and Ex-President of BGMEA. He has been engaged in the development of Bangladesh football for a long immediately after retiring as a national football team player and he is serving as senior vice president of Bangladesh Football federation. He is the member of parliament for consecutive two terms.



Abdus Salam Murshedy, MP
Managing Director



Rashida Ahmed
Director

Mrs. Rashida Ahmed, Director of the Company, was first appointed to the Board on July 2, 2000. She has graduated from University of Dhaka & wife of Mr. Kutubuddin Ahmed.



Sharmin Salam
Director

Mrs. Sharmin Salam, Director of the Company, was first appointed to the Board on July 2, 2000. She is a graduate from University of Dhaka & wife of Mr. Abdus Salam Murshedy, MP.

Mr. Tanvir Ahmed, Director of the Company, was first appointed to the Board on June 27, 2010. He brings with him an impressive educational background specializing in Business Management, Administration and Finance. He holds a Masters degree from Cardiff University, a Diploma from London School of Economics (LSE) and Bachelor of Arts degree (with honors) from Kingston University, UK

He is a son of Mr. Kutubuddin Ahmed. He hopes to lead the development of business and incorporate traits of corporate culture.

He is also Managing Director of Sheltech Group member companies.



Tanvir Ahmed
Director



Barrister Shehrin Salam Oishee
Director

Barrister Shehrin Salam Oishee, Director of the Company, was first appointed to the Board on June 27, 2010. She has excellent academic track record, holds Masters in Criminology and Criminal Justice from University of Dhaka and LLM in Commercial Law from University of Derby, London.

She got published as a Barrister at the age of 21 from the honorable society of Lincoln's Inn, UK.

She is a daughter of Mr. Abdus Salam Murshedy, MP. Her vision of the future is to see the Company as an entity with the highest caliber in regards of work output, quality and legal aspects while incorporating new business ideas to meet the competition in the global market.

Ms. Sumayyah Ahmed, Director of the Company, was first appointed to the Board on April 12, 2017. She completed Masters in Marketing and Brand Management from University of Essex, UK in 2014.

Ms. Sumayyah is the daughter of Mr. Kutubuddin Ahmed, Chairman of the Company.

She is playing a vital role in devolvement of Branding for the company.



Sumayyah Ahmed
Director



Ishmam Salam
Director

Mr. Ishmam Salam, Director of the Company, was first appointed to the Board on April 12, 2017. Mr. Ishmam is the son of Mr. Abdus Salam Murshedy, Managing Director of the Company. He is perusing for his bachelor in English honors degree from BRAC University, Dhaka.

Mr. Syed Shahed Reza was appointed to the Board on 11 October 2018 as Independent Director. Mr. Shahed is a dynamic personality, holds a Masters degree in Public Administration from Dhaka University, has multi-exposure in the field of diplomatic affairs, education, Social, Culture and Sports.

He was a Secretary to Bangladesh Ministry of Foreign Affairs and Ambassador to the Republic of Yemen. He was also an Ambassador to the Bangladesh Embassy in Kuwait.

He worked as National Chancellor-Bangladesh Chapter for International Association of Education for World Peace (IAEWP), NGO UN (ECOSOC) UNDP, UNICEF, UNESCO and UNCEO.

Mr. Shahed is also an active sports organizer, he was a Secretary General of Bangladesh Olympic Association, apart from his leadership position in various prestigious sport organization.



Syed Shahed Reza
Independent Director

Mr. Itrat Husain FCMA, FCS was appointed to the Board on 03 July 2019 as Independent Director.

Mr. Itrat has over 41 years of experience in Corporate Management, both in the public and private reputed companies in senior positions in Finance functions, in Manufacturing, Trading and Service sectors in Asia, Europe and Africa, including over 11 years' experience in two Multinational Companies.

Mr. Itrat Husain is a Fellow Member of the Institute of Chartered Secretaries of Bangladesh (ICSB). He was a Past President of ICSB (2007-2008).

Mr. Itrat did his Chartered Management Accountancy (CIMA) from UK in 1981 and is also a Fellow Member of the Institute of Cost and Management Accountants of Bangladesh (ICMAB)

He has attended many training programmes and workshops both at home and abroad. He is a faculty member of ICSB and also organizes and conducts training programmes regularly. He is a certified trainer of IFC.



Itrat Husain FCMA, FCS
Independent Director



MANAGEMENT TEAM



Tushar Tripathi
Chief Executive Officer

A Post Graduate in International Management, Mr. Tripathi holds the position of Chief Executive Officer (CEO) at the Company. With over two decades of experience in the Textile Industry he joined the Company in 2009.

Prior to this, he was the CEO of different Textile concerns and was posted in various countries.

Nanda Dulal Biswas
Plant Head & Head of Production

A Graduate in Textile Engineering & Masters in Business Administration, Mr. Biswas holds the position of Head of Production at the Company and he is also in charge of the factory as 'Plant Head'. With over two decades of experience in the Textile Industry he joined the Company in 2006, before joining the Company he worked for various prominent Textiles Companies in Bangladesh.



Shama Proshad Ghosh
Deputy Plant Head & Head of Engineering

A Graduate in Mechanical Engineering & Masters in Business Administration, Mr. Ghosh currently holds the position of Head of Engineering at the Company also working as 'Deputy Plant Head' of the Factory. With over two decades of experience in the Textile Industry, he has been working from the beginning of the Company.

K. M. Rezaur Rahman
Head of Project Management

A Graduate Mechanical Engineer from Bangladesh University of Engineering & Technology (BUET) & Masters in Business Administration from IBA, University of Dhaka, Mr. Reza is the Head of Project Management Division of the Company. With over two decades of experience in diverse fields having multi-dimensional exposures he joined the Company in 2011. Immediate before joining the company he worked as consultant for a World Bank project.



Hamimur Rahman
Head of Human Resource

With a Master in Business Administration (MBA), Mr. Hamim is heading the HR Division of the Company since 2012. He has over a decade of experience in the area of Human Resource and in organizational systems development & process design.



Mohammad Majibur Rahman
Head of Spinning

A Textile Engineer, graduated from Bangladesh University of Textiles. He has more than 20 years of experience in Textile Industry. Mr. Rahman is holding the position of Head of Spinning division of the Company.



Saiful Islam, FCMA
Chief Financial Officer

With over a decade of experience in the field of Accounts, Finance, Taxation & Issue Management, Mr. Saiful holds a Master's degree in Accounting, he is a qualified Cost & Management Accountant and a Fellow Member of ICMAB. In 2008, he joined the Company and currently holds the position of Chief Financial Officer (CFO).

Shekhar Ghosh
Head of Quality Assurance

A Post Graduate from Indian Institute of Technology (Delhi) in Textile Engineering with two decades of experience in Textile industry with specialisation in denim, Mr Ghosh is holding the position of Head Quality Assurance at the company since December 2018.



Atiqur Rahman
Head of Commercial

With more than 29 years of experience in Readymade Garments/Textiles Commercial function, Mr. Atique is head of Commercial division of the company.

M Saiful Islam Chowdhury FCS
Company Secretary

With over a decade of experience in Corporate Management, Mr. Saiful holds a Masters degree in Accounting; he is a qualified Chartered Secretary and a Fellow Member of ICSB. Joined in 2012, he is Company Secretary of the Company.





Md. Nurul Haq
Head of Supply Chain

A Master of Commerce in Accounting, Mr. Haq is head of the Supply Chain Division. He joined the Company in November 2010.



Mohammad Ataur Rahman, ACMA
Head of Internal Audit & Compliance

A Masters in Accounting and Cost & Management Accountant, Mr. Mohammad Ataur Rahman holds the position of 'Head of Internal Audit' at the company. He joined the Company in December 2015



Yalcin Eren
Head of Research & Development

A graduate in Textile Engineering from University of Gaziantep, Turkey, Mr. Yalcin has more than 9 years of experience in Research & Development of Textile Industry. He holds the position of 'Head of Research & Development' at the company. He joined the Company in May 2017



Emran Hossain
Consultant, Commercial Division

With over 39 years of experience in banking sector, Mr. Emran graduated from University of Chittagong. Joined in January 2012, he is working as a Consultant in the commercial division of the Company.



Md. Bazlur Rahman
Consultant, Project Management Division

A post graduate in Master of Business Administration from IBA, University of Dhaka, Mr. Bazlur Rahman is working as consultant in Project Management Division since June 2012. He has more than 35 years of experience including working with Bangladesh Shilpa Bank, for a long span of time.



GLOBAL EXPERTS



Tushar Tripathi
Chief Executive Officer



Shekhar Ghosh
Head of Quality Assurance



Birla Mukesh Ramawatar
Head of Production Planning



Yalcin Eren
Head of Research & Development



Ruocang Wu
Business Coordinator, Hong Kong Office



Unsal Unlusoy
Technician, R&D



Sadi Bulun
Technician, R&D



Bhadresh Kumar Himmat Bhai Ghadiya
In-charge, Ball Warping & Long Chain Beam



KEY MILESTONE



TIMELINE

NATIONAL ENVIRONMENTAL AWARD

4.5 MILLION YARDS PER MONTH



DOUBLED THE PRODUCTION CAPACITY IN 2013, 4 MILLION YARDS PER MONTH



STARTED COMMERCIAL OPERATION IN MARCH 2008



2019



JEANOLOGIA DYNAMIC OZONE FINISHING MACHINE



2018

BCMEA GREEN FACTORY AWARD

2017



2013



2016



RECEIVED LEED PLATINUM CERTIFICATE
STARTED OWN SPINNING PRODUCTION

2008

2012



CONVERTED AS A PUBLICLY LISTED COMPANY IN OCTOBER 2012





AWARDS / RECOGNITIONS :

- Awarded of LEED Platinum Certification from US Green Building Council. (First Denim mill in the world to score LEED Platinum)
- 7 times winner of National Export Trophy by Bangladesh Govt. (5 times gold)
- 2 Times winner of President's Award for Industrial Development'
- 3 times winner of ICSB National Award by Institute of Chartered Secretaries of Bangladesh (2 times Gold)
- 3 times winner of Best Corporate Award by ICMAB (1st Position 2 times)
- 3 times winner highest TAX Payer Award by National Board of Revenue.
- HSBC Export Excellence Award- in 2017.
- CPI2 Factory Award for Carbon Performance Improvement Initiative
- 2 Times winner of Highest Regular Electric Bill Payer Award by Bangladesh Rural Electrification Board.
- LEED Green Factory Award by Bangladesh Garments Manufacturers and Exporters Association.
- National Environment Award- 2019 by ministry of environment.
- National Productivity & Quality excellence award by the ministry of industry 2019.

ACCREDITATIONS / STANDARDS / PROJECTS:

- Laboratory Accredited by LEVI'S, DEBENHAMS, TEMA, American Eagle
- Certified with Oeko-Tex Standard 100 (Class 1)
- Certified with Organic 100 Cotton Standard
- Certified with Organic Blended Content Standard
- Certified with Global Organic Cotton Standard
- Certified with ISO 9001 for Quality Management System
- Certified with ISO 14001 for Environmental Management Systems
- Accredited with BCI – Better Cotton Initiative
- Accredited with PaCT – Partnership for Cleaner Textiles
- Accredited with BSCI – Business Social Compliance Initiative
- Accredited with 'PURE – Productive Use of Renewable Energy' by GIZ
- Complied with ALLIANCE (for Bangladesh Worker Safety)
- Implemented HIGG Index
- Implemented YESS Project (Yarn Ethical Sustainable Sourcing)



ENVOY TEXTILES LTD
 ENVOY GROUP
 Dhaka, Bangladesh

HAS FULFILLED THE REQUIREMENTS OF THE FOLLOWING LEVEL OF CERTIFICATION ESTABLISHED BY THE U.S. GREEN BUILDING COUNCIL
 IN THE LEED GREEN BUILDING RATING SYSTEM™ AND VERIFIED BY THE GREEN BUILDING CERTIFICATION INSTITUTE.

LEED FOR EXISTING BUILDINGS: OPERATIONS AND MAINTENANCE

PLATINUM


 S. RICHARD FEDRIZZI, PRESIDENT & CEO
 U.S. GREEN BUILDING COUNCIL

March 2016


 MAHESH RAMANUJAM, PRESIDENT
 GREEN BUILDING CERTIFICATION INSTITUTE

PERFORMANCE



CHAIRMAN'S REPORT



Stay Safe and Carry On

Kutubuddin Ahmed
Chairman
Monday, 16 November 2020
Dhaka

DEAR SHAREHOLDERS

I am pleased to present you the Annual Report of Envoy Textiles Limited for the year 2019-20. This report marks our efforts and achievements for corporate governance, business performance, environment and society.

The year 2020 is very unusual, we all are experiencing with COVID-19 pandemic. We are in an extraordinary situation when the global fashion industry is going through a very turbulent time due to Covid-19 pandemic.

Each crisis brings new opportunities and scopes. The virus scenario has taught us crisis management and the need to rethink life and the environment. There are scopes to rethink the decisions on medical treatment, education and humanity. Profit does not mean consumption, rather it means equal distribution and equal restructuring. The pandemic has brought us chances to make life confined by development, industrialization and growth, easier. It is not enough to simply achieve middle-income status; at the same time, we need to lift up the marginalized people. We need to look closer at society and minimize the inequalities. We not only have to win against the virus, but also against hunger.

We need to survive until an effective vaccine is invented. Until then, we have to learn to live with the virus and to invest time to continue the battle. We should overcome the situation patiently and plan to survive for the next couple of months. We have to reduce the expenditure and pay if requires, but we have to survive. For this, we need to adopt whatever strategy it takes. Survival will be the biggest investment and that is what we should count on.

Overview

The textile sector missed a season while the next one is uncertain too. But the situation will not be the same forever. Europe and America will begin buying. The question is when, and there is no answer to that. But we will have to be ready and continue production. Crisis is not an issue for the Bangladeshi entrepreneurs. I do believe that our future will change if we can survive the next few months. This is truer for the readymade garments sector.

We will have to wait and sacrifice for the sake of the future.

In Envoy, we have not downsized our office so far nor cancelled any payments. We just postponed the provident funds for a few months. We are assessing our institutional framework to readjust the expenditure. This is temporary. But we will certainly not terminate our low-level workers.



Many of us will not get back the life we had before the pandemic. This is the new normal for institutions, non-institutions and elsewhere. We will get back on our feet if we have confidence in ourselves. We have to stay positive, lively, and faithful. If we get scared, we will certainly lose the battle. Let's stay prepared for the future. Gain energy for the battle, and save money for future investment.

The main fight for survival is yet to begin. Rest assured, the future is ours.

Financial Results

The second half of the reporting year was highly challenging, as we know, not only across the denim industry but also in the global economy. We are still in very bad shape; nobody can predict precisely how long it will take to recover fully. Production costs have been upward on account of the ever-increasing power costs, but we are forced to offer lower prices due to price cuts in the fabrics by global retailers.

Orders dropped drastically during March to June 2020. In the same time, part of orders which were under production, or with production completed, were facing delayed delivery, delayed payment or even cancellation.

We shut down our entire business operation for about one and half months starting from end of March 2020, complying the government instruction to prevent spreading corona virus. The production completely halted for that period, resumed partially at the end of May 2020; in June 2020 we came back in normal operation.

In the third quarter of reporting year, we earned revenue at a less than half in comparison to our usual revenue earnings against absorbing full overhead cost for the quarter.

Because of above backdrop, the Company's financial performance in 2019-20 was not as expected, key highlights include:

- a negative growth of 10.33% in Revenue;
- a decrease of Gross Margin of 23.82%;
- a negative growth of 50.56% in EPS; and
- an increase of 5.79% in Net Assets Value per Share.

Our Marketing Efforts

We have taken proactive measure in online marketing before the pandemic. We have been putting much efforts in building our digital library to showcase our products online. Up to date, we have uploaded high digital pixel pictures of more than 400 qualities to the digital library with our own arrangement, and we are working on uploading garment format 3D effect pictures. The potential buyers can easily explore our bundle of products.

We are also working for a digital showroom; anyone can have access to see our innovative products online. You can visit to scan on:



We also noticed that the Chinese domestic market recovered faster comparing to other markets. Starting July 01, 2020, China waived custom's duty on garments produced in Bangladesh. We will intensify our marketing efforts in China to explore new business opportunities and to diversify market risks. Our Hong Kong Office has been keeping close contact with key customers in both Hong Kong and Shanghai.

The pandemic paralyzes conventional marketing methods, such as face to face product presentation to customers, industrial exhibitions. We switched swiftly to online marketing, we link ourselves with customers through web meeting, we participate actively in virtual shows, like DENIMSANDJEANS.

At present time, on one hand, we have been trying to communicate through video conference with customers, including vendors in garment production, as an effort to reduce our loss to the lowest; on the other hand, starting May 2020, we have been conducting monthly evaluation on key customers' financial situation and capability to pay, as a measure to assure safety of our receivables.

Participation in Denim by Premiere Vision London Show:

After making our debut in European denim exhibition at the BLUE ZONE fair organized by MUNICH FABRICSTART in Munich Germany in June 2019, we applied in July 2019 to Premiere Vision of France for their Denim by PV Show as one of our continuous marketing efforts to explore the European market.

Being the pioneer in high-end denim boutique show, Denim by PV is famous for its critical screening of exhibitors. No Bangladeshi denim mill has ever been invited to participate in any Denim PV Show prior to our application.



We were invited to Denim by PV London Show held in 03- 04 December 2019, where we showcased our newly developed spring/summer 2021 collections under the theme “Truly Bangladesh” and gained a huge recognition from the marketplace.

Visit by Crystal Group of Hong Kong on 14 January 2020:

The Crystal Group delegation led by Mr. Wilson Wong – President of Denim Division and Ms. Ada Li, Vice President – Sales & Operation visited our plant.

Crystal Group, listed in Hong Kong Stock and Exchange, is one of the cleanest denim garment production institution, with large-scale production plants in China, Bangladesh and Vietnam.

They are convinced to see our manufacturing facility and plant environment, which could extend business collaboration.

Continuous Cooperation with Jeanologia:

Our company is committed to sustainable development and has been collaborating closely with the world’s top technology and equipment suppliers in Denim field, among them is Jeanologia of Spain, leader of sustainable technology.

Jeanologia’s Asia Engineer Center landed in Hong Kong in early April 2020. On 22 April 2020, our Hong Kong Office representative visited the site and met them. They have committed to exchange technical know-how in promoting sustainable laundry technology. With this cooperation, Jeanologia Hong Kong Engineering Center has recently developed a sustainable laundry collection using our fabrics.

ECO-B Less Chemical Series:

After one-year long trials and errors, in Nov 2019, we officially launched our ECO-B Less Chemical series to the market. By modifying dyeing technique and revising dyestuff formula, the ECO-B technology allows almost 100% of applied dyestuff to remain on the yarn, saving 15 to 25% of dyes eliminated by wash off using conventional process. The consequent reduction in water consumption and contamination also makes ECO-B a more ecological and sustainable process compared to conventional one. Depending on the process, it saves 20% - 40 % of water.

Audit against INDITEX Group’s new Green to Wear 2.0 Standard

The management of INDITEX Group has committed to its stakeholders to drive the sustainable transformation of the industry. In line with the commitments, INDITEX launches the new Green to Wear 2.0 standard (GTW 2.0).

On Feb 23, 2020, INDITEX Group sent the third party to audit and evaluate our plant according to the GTW 2.0 requirements. The Group later confirmed our fulfillment to the standards, and ranked Envoy Textiles in the list of INDITEX “Join Life Program” qualified suppliers.

A sustainable work process and eco-friendly working environment has become the most essential challenge and requires for long term commitment.

In Envoy Textiles Limited, our vision is to build a sustainable denim industry through continuous innovation and environment-conserving production process. We are committed to sustain our future generations.

Governance

We remain committed to the highest standards of corporate governance, with accountability and transparency being key guiding principles in all business activities conducted. The Company has a zero-tolerance approach to unethical behavior. We continue to apply appropriate levels of thinking to governance execution, thereby enhancing value for all stakeholders.

Research & Development

We believe, innovation is the solution to sustain the growth. The ‘Innovation Center’- a dedicated full-pledged lab building for research and development facility is equipped with state-of-the-art equipment. A group of Turkish experts are working to innovate products in order to sustain with the ever-changing market environment.

We have Laser Machine to introduce different innovative design on washed garments.

We have also installed a caustic recovery plant in order to recycle the chemical for a sustainable and environment-friendly production process.



We recently brought the three most updated and eco-friendly technologies in denim manufacturing, which are EnAIRgy Technology by PENTEK, Italy, Ozone Finishing - G2 DYNAMIC by Jeanologia, Spain, and Laser Technology on Denim Laundry by Jeanologia, Spain.

Commitment to our Employee

Since the outbreak of Covid-19 in March, we followed strictly government's Epidemic Prevention Guidelines, including lock down our plant.

How to resume operation while assuring employees' health and safety under the pandemic is not only a business' goodwill, but also its social responsibility.

As a preparatory measure, we contacted every individual employee, surveying their health situation and that of their family members to assure that none has Covid-19 symptoms nor contact with Covid-19 patients. Body temperature was measured and health declaration form was filled up for each employee before they resumed to work to the plant premises after government declared special leave for Covid-19.

Now, in order to assure employees' safety inside the plant and to reduce the infection risk to the lowest possible level, measuring body temperature, ensuring self-hygiene, keeping social distance, wearing masks become our daily routine; in the meantime, we put emphasis on canteen hygiene and sanitation, especially on the health condition of kitchen personnel.

Overseas Operation

Our representative office in Hong Kong is operating full time, to develop the potential markets and to offer more services to our existing buyers.

We have a sample showroom in a partial space at our Hong Kong Office, where we display our innovative designs for the buyers.

Commitment for Green Environment

At Envoy Textiles, we care a lot about the environment and provide opportunities for recreational activities in the workplace.

We have achieved a number of quality certifications, bringing rare honor for the country.

The US Green Building Council (USGBC) awarded the company LEED (Leadership in Energy and Environmental Design) Platinum certification.

Platinum score, considered to be the highest in standard and prestige, and the first ever achieved by any textile manufacturer in Bangladesh and denim manufacturer in the world.

The Leadership in Energy and Environment Design (LEED) certificate awarded by the U.S. Green Building Council, is a testimony to the Company's success in ensuring maximum environmental safety of its workplace.

Recognition

We earned following recognitions from different bodies during the year 2019-20

- National Export Trophy (Gold) for the Year 2016-2017, for Export Performance
- The Presidential Award for Industrial Development " for its contribution in Industrial Development and country's economic growth
- Highest taxpayers in the Spinning and Textile sector for the year 2018-2019, for a consecutively third time

Status of Issuance of Preference Shares

The company has issued 87,000,000 Preference Shares for 5 years at face value of Taka 10.00 each at par for a total amount of Taka 870.00 Million through private placement to the potential investors with the approval of Bangladesh Securities and Exchange Commission for capital investment in BMRE and to settle the existing high cost debt.

The said preference shares shall be fully redeemable cumulative non-convertible within 5 years and to be redeemed the principal amount by yearly equal installments commencing from the first-year end from the date of subscription. Dividend will be paid semi-annually in arrear basis at a fixed rate of 10% p.a.

During the financial year 2019-20 a total of Taka 360 million has subscribed.



Performance of Spinning Unit

The actual capacity of our Spinning plant has been increased up to 67 MT/day from the last year capacity of 63 MT/day by the inclusion of Rotor, Air Covered and Auto Packing machines.

The yarn being produced in our Spinning plant is mostly for our own consumption in order to ensure uninterrupted and quality supply of yarn for denim fabric production.

We have invested approximately BDT 84 million this year for the new machineries in increasing plant capacity. We have introduced auto packing system replacing manual system of packing this year.

Capital Investment

We are continuously investing for infrastructure and machineries in order to build capacity, which have been delivered value to our stakeholders.

We are strengthening our captive power plant by replacing five caterpillar brand new gas generators of 2 MW each for a total capacity of 10 MW, removing existing diesel generators. The plant has an existing capacity of producing 14 MW electricity, which to be upgraded by 15.376 MW.

Our spinning plant is now running by REB supplied electricity power, now we can source power from our own captive power plant that could ensure us an uninterrupted and quality electricity supply with a comparatively cheaper cost; which recommended for plant efficiency.

We imported a Bleaching Machine for the production of twill fabrics. During the year our capital investment in major machineries is about BDT 400 million.

Looking Forward

Our long-standing relationship with our major buyers has been one of the most significant factors contributing to our growth. We have continually received repeat business from many of our international buyers. This indicates their level of confidence in our ability to understand latest trends and ensure timely delivery of quality products.

Customers become more price sensitive under the pandemic. As a cost control measure, we keep on adopting new technology, optimizing production flow and lowering down production wastage.

We aim to leverage our existing range of products, know-how and manufacturing capabilities to produce niche and higher-margin products. We believe that, given our manufacturing capacity and expertise, we would be able to produce and sell such fabrics at competitive prices compared to the international export markets.

We believe that such initiatives will optimally diversify our business and products portfolio and enable us access to new markets.

ACKNOWLEDGEMENTS

I have come across countless good hearted-people and friends in my life who have stood by me during difficult times. I have worked hard throughout my life, and I am doing the same now. I am a family man who believes hard work, honesty, dedication and support of the family are the combined mantra for success. I had been hospitalized with coronavirus for 12 days. Hundreds of texts from family, friends and well-wishers marked the hospital stay. Those messages of love and prayer would bring tears to my eyes. One good news during my hospital stay was that I had been nominated by the Spanish Government for the highest civilian 'Knight Officer' title.

I would like to congratulate Mr. Abdus Salam Murshedy, MP, Managing Director of the Company, for being elected Member of the Parliament for consecutive two-terms.

I wish to record my thanks to all our stakeholders of Envoy Textiles including my fellow Board members, its employees and respected buyers for their continued support. I am confident that, with our sustained commitment, the Company is well placed to continue growing to the benefit of all.

Annual General Meeting

Our Annual General Meeting will be held on 28 December 2020

The Notice of AGM, with explanatory notes to the agenda, accompanies this Annual Report and can also be available on our website.

We look forward to welcoming you at 25th Annual General Meeting of Envoy Textiles Ltd.



MESSAGE FROM MANAGING DIRECTOR



Abdus Salam Murshedy, MP
Managing Director
Monday, 16 November 2020
Dhaka

2020 is a crucial year for the Bangladesh textile industry. As the industry is going through a very turbulent time due to Covid-19 pandemic, in a result some major organizational changes are on the card in the upcoming days. RMG sector has become the backbone to the economy of the country as the largest source of export earnings and employment. Bangladesh RMG sector has a goal to achieve 50 Billion export targets by year 2021 that will cover 8-10% of total apparel export of the world market.

Even before the Coronavirus pandemic struck, the retailing situation of denim was not good across the European Union. Consumption had fallen mainly due to uncertainty over the execution of Brexit. Since importers were unsure about the tariff rate after the Brexit, they have remained low-key about placing large work orders. Industry leaders are looking forward to a jumpstart to their export, but the health concerns and travel restrictions linked to the coronavirus outbreak has led to the event being cancelled.

Export is in negative growth. It will be very difficult to off-set this negative trend due to the corona virus epidemic all over the world. Many export orders are being halted or delayed because of pandemic business situation.

Human resource has been always vital issue in the continuous development of the textile and apparel sector. In the last decade the wage of the garments workers has been increased significantly. Furthermore, the business operation costs in last decade has also increased 35-40%. In contrast, the average price from the buyers has been decreased by 3-4%. So, all over we have lost 35-40% price competitiveness in the market. In this circumstance, the skill profile of the labor force has become a vital issue.

Skilled labor is becoming more important as production operations are demanding better performances. Specially in the managerial positions proper skill increases the efficiency and productivity of a factory, which shortens the lead time.

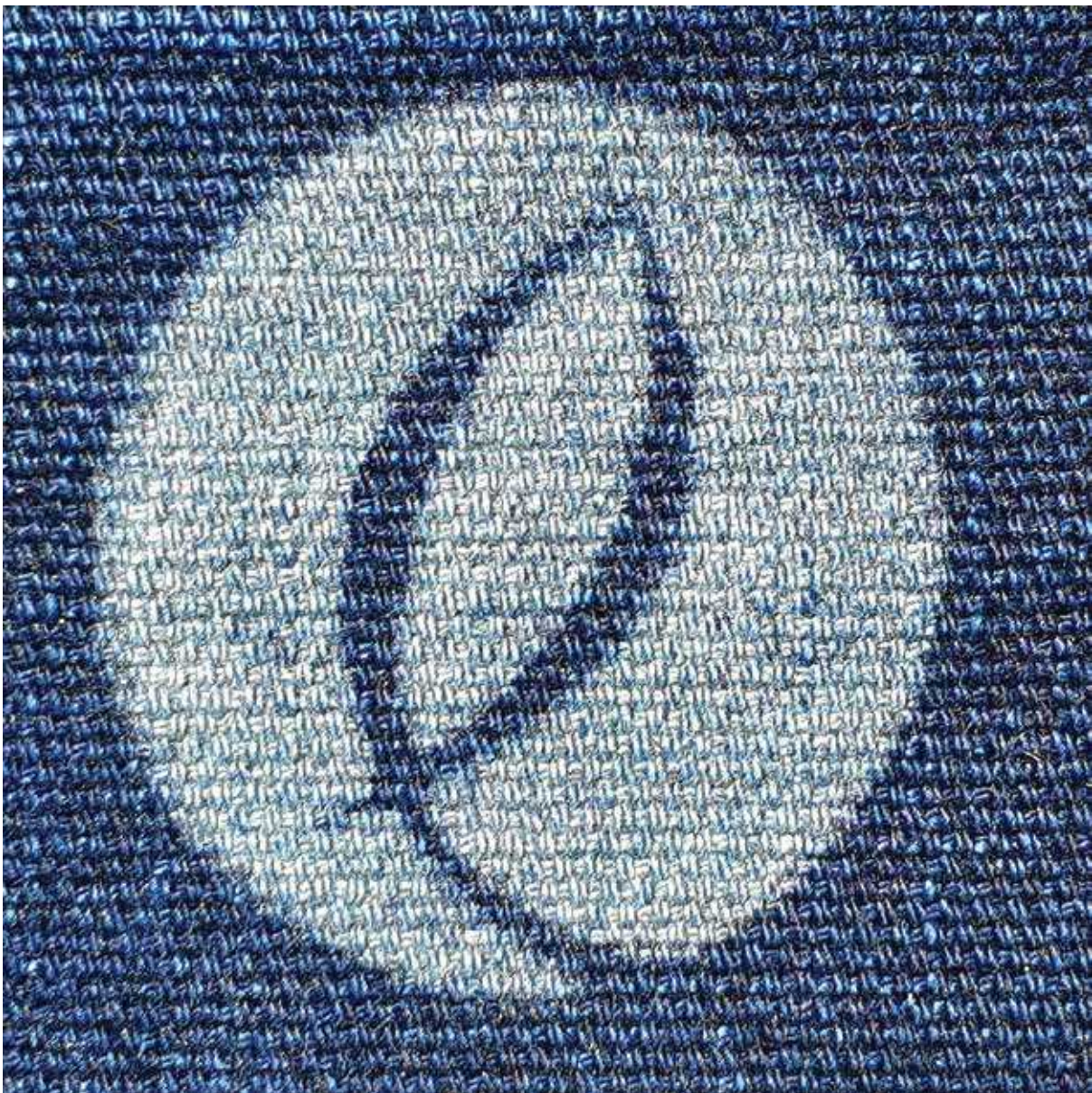
Bangladesh textile and apparel industry are standing at a cross road facing difficult challenges. But this is also true that opportunity resides at the opposite of the challenges. It's a high time for the industry take appropriate steps to step over the hurdles and avail the opportunities in offering in plenty in the global market. Still Bangladesh is regarded as one of the best choices for most of the buyers as safe and secure source of ready-made garments. And as our capability of designing and product development improves industry will start making more value-added



products, the trend of which is already evident. Today Bangladesh is the home of highest number of green factories which adds to our positive image as a sustainable partner of global business. And most importantly, non-compliance factories are gradually pushed out of the market which is also a good sign in the longer run.

Many local businesses are now making new investments in fabrics and design innovations and increasing manufacturing capacity, to redirect China's export market towards Bangladesh. This will greatly help to promote Bangladesh's dominance in the US and EU markets with a product portfolio of high-end products at a better price. Also, the improvement of the safety and hygiene standards in the garment manufacturing segment is attracting more global buyers.

I would like to extend my gratitude to all our stakeholders, including the staff members and buyers for their unstinted support in this difficult time. I look forward to your continued support in our collective journey to build a sustainable and value-creating enterprise.



Our Laser Technology on Denim by Jeanologia, Spain, which enables water and chemical-free denim washing.



CORPORATE SOCIAL RESPONSIBILITY (CSR)

1. Setup & Maintenance of Pediatric HDU at Burn Unit of Dhaka Medical College Hospital

Envoy Textiles Limited has built a state-of-the-art Pediatric Intensive Care Unit (ICU) cum High Dependency Unit (HDU) at Dhaka Medical College Hospital, which is a govt. hospital and generally known as 'Burn Unit of Dhaka Medical'. This facility is the first of its kind in Bangladesh and prior to this there was no ICU/HDU for pediatric burn patients both in Government and Private Hospitals. After building this unit, the Company has also taken the responsibility of maintaining it at their own cost. Which included full cleaning of the premises, laundry of the bed sheet/pillows, etc. and also the maintenance of electrical, mechanical and civil construction.

2. Priority Appointments to People with Disability

The Company is an equal opportunity employer, but in spite of that, it has prioritized the appointment of physically challenged people. So far, it has appointed 15 physically challenged people and still continuing. Among these, most of the appointments were given proactively by the Company.

3. Paying Salaries of Deceased Victims of other Companies through BGMEA

The Company has taken the responsibility of the families of 5 deceased victims who died in major fire incidents at a Garment Factory (Tajreen Fashions). Not being directly linked with the company, the Company is continuously paying the last salary of 5 victims. The salary is paid to the nominees of the victims through Bangladesh Garments Manufacturers and Exporters Association (BGMEA).

4. Special Treatment Allowance after Separation

The company is providing monthly special treatment allowance to the ex-employee even after separation (Amputation, Stroke etc.) regularly.

5. Tree Plantation Campaign in Schools

The Company has undertaken a campaign project on Tree Plantation on August 2019. Under the project 10,000 plants were distributed to the students of eight school's adjacent locality of the factory.

6. Bird Nest Installation

The Company installed 400 nest of bird in factory premises to ensure safe bird habitat.

7. Internship for National & International Students

The Company provides Internship opportunity to the students of National and International Universities.

8. Hosting of Study Tours for National & International Students

The Company encourages the visits of students at the factory, and hence, periodic visit of students from different disciplines and organizations are arranged and hosted by Envoy Textiles on regular basis.

9. Awareness Program for Dengue Prevention

The Company has taken a program for Awareness on Dengue Fever, more than 5,000 leaflets were distributed to different levels of people about Dengue Prevention and do's and don'ts.

10. Awareness Program for Fire Prevention

The Company has taken a program for Awareness on Fire Safety, more than 5,000 leaflets were distributed to different levels of people on Fire Safety Awareness.

11. Awareness Program for Corona Virus

The company has taken a program for awareness on Corona Virus, more than 4000 leaflets were distributed to different levels of people on Corona Virus awareness.

12. Art Competition for Factory Neighborhood Children

Every Year, Envoy Textiles conducts an Art Competition for the children around factory premises. The walls for painting and art props are provided by Envoy Textiles and prizes are also given. Envoy Textiles also preserves the artwork in their wall at least for a year.

13. Financial Aid for Special Patient at Dhaka Medical (Tree Man Disease)

The Company provides financial aids to special patients. The last case was the person with 'Tree Man Disease'. Mr. Bajandar was admitted to Dhaka Medical College Hospital with a rare disease called 'Tree Man Disease'. This is so far an untreatable disease and different international organizations are still trying to find a cure. The Company has provided a special monthly allowance to Mr Bajandar for one year to maintain his regular expenses.

14. Financial Aid for Accident in Other Concern

The Company provides financial aids in different instances. A Contribution was provided through BGMEA for Rana Plaza accident.

15. Financial Aid for Natural Disaster

The Company donated for Victim of Hill Landslides in Rangamati, Chittagong, Khagrachari through Prothom Alo Trust.

16. Effluent Treatment Plant

The Company has a fully operational Effluent Treatment Plant (ETP) at factory and it discharges only treated water to the nature. On the other hand, being environment friendly, it also re-uses most of the ETP water for other internal usage.

17. Ecological Contribution

a. There is a small Rabbit farm at Envoy Textiles factory premises where rabbit have been born and raised to contribute to the nature. A bunch of rabbits were discharged at Bangabandhu Safari Park as a contribution to the nature.

b. Envoy Textiles harvests Rainwater by collecting the rain drops and stored for the future use, rather than allowing it to run off. rainwater harvesting provides an independent water supply for firefighting and other usages.

c. Envoy Textiles farming fish in factory lake.

d. Envoy Textiles has taken a project for establishing a eco-park at factory.

e. Envoy Textiles ensure a friendly and safer place for temporary living for migratory birds at factory premises each year.



ENVOY TEXTILES LIMITED SUSTAINABILITY ACHIEVEMENTS

GREEN BUILDING CERTIFICATION: LEED Certified™ Platinum

LEED (Leadership in Energy and Environmental Design) is the most widely used green building rating system in the world. LEED certification is a globally recognized symbol of sustainability achievement. LEED buildings save energy, water, resources, generate less waste and support human health.

Envoy Textiles Limited is the First Denim Factory in the World, have achieved USGBC LEED™ Platinum certification. We believe in GREEN FACTORY concepts.



MANAGEMENT SYSTEM CERTIFICATION:



ISO 14001:2015 ENVIRONMENTAL MANAGEMENT SYSTEM:

ISO 14001:2015 specifies the requirements for an environmental management system that an organization can use to enhance its environmental performance. ISO 14001:2015 is intended for use to manage environmental responsibilities in a systematic manner that contributes to the environmental pillar of sustainability.

Envoy Textiles has adopted this standard since its incorporation in 2008 and has applied it in many concerning Environmental Areas by setting objectives and targets. The conversion of ISO 14001:2004 to 2015 was done in the early of 2017 and it was the first textiles mill that converted their version ISO 14001: 2004 to 2015.



ISO 9001 :2015 QUALITY MANAGEMENT SYSTEM:



ISO 9001: 2015 is based on the plan-do-check-act methodology and provides a process-oriented approach to documenting and reviewing the structure, responsibilities, and procedures required to achieve effective quality management in an organization. Envoy Textiles has adopted this standard from the beginning of the establishment since 2008 and has applied it in many concerning Quality management improving by setting objectives and targets. The conversion of ISO 9001: 2008 to 2015 was done in 2017.



SUSTAINABLE RESPONSIBLE MATERIALS SOURCING & RECYCLE STANDARD CERTIFICATION:

Sustainable raw materials are very important to the practice of reducing environmental impact through different control of source or platforms. Envoy Textiles Limited has done significant changes on its sustainable raw materials procurement compared with 2018-19 by using BCI cotton, CmiA, Organic cotton etc. the early of 2018

GOTS V 5.0 (GLOBAL ORGANIC TEXTILES) STANDARD CERIFICATION:

Envoy Textile has achieved GOTS V 5.0 certificate. The Global Organic Textile Standard (GOTS) is the worldwide leading textile processing standard for organic fibers, including ecological and social criteria, backed up by independent certification of the entire textile supply chain. The aim of the standard is to define world-wide recognized requirements that ensure organic status of textiles, from harvesting of the raw materials, through environmentally and socially responsible manufacturing up to labelling in order to provide a credible assurance to the end consumer.





ORGANIC CONTENT STANDARD & BLENDED STANDARD CERTIFICATION:

OCS allows for transparent, consistent and comprehensive independent evaluation and verification of organic material content claims on products. OCS 100 covers the processing, manufacturing, packaging, labelling, trading and distribution of a product that contains at least 95 percent certified 'organic' materials.



RECYCLED CLAIM STANDARD (RCS) 2.0 & GLOBAL RECYCLED STANDARD (GRS) 4.0

The Recycled Claim Standard (RCS) and Global Recycled Standard (GRS) provide verification of recycled materials, and then track the material through to the final product. The GRS includes additional social, environmental and chemical processing requirements. Envoy Textiles has adopted this standard as a continuation of sustainability practices and responsible sourcing of its cotton part.



BCI (Better Cotton Initiative) MEMBERSHIP:

The Better Cotton Initiative exists to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector's future. BCI aims to transform cotton production worldwide by developing Better Cotton as a sustainable mainstream commodity.



CmiA (Cotton made in Africa)

Cotton made in Africa provides cotton farmers in Sub-Saharan Africa with improved and sustainable farming methods that comply with CmiA standards. Envoy Textiles Limited has adopt this standard as best practice of Sustainable Responsible Materials Sourcing.



COTTON USA LICENSEE

Envoy Textiles is one of the member of COTTON USA. It produce sustainable and fairly grown cotton. Cotton USA have one of the highest rates of adoption in the world for Precision Agriculture, which encourages less water and pesticide usage. And U.S. farmers operate under voluminous, stringent, and enforceable regulations. Finally, COTTON USA has one of the most comprehensive systems for monitoring and measuring all the key metrics involved in sustainability.



HARMFUL SUBSTANCE FREE STANDARD CERTIFICATION:

Use of the Oeko-Tex certificate documents compliance with human-ecological requirements to subsequent production levels and consumers. Envoy Textiles got the certificate and is concern on harmful substance free product from production process using chemical.



CODE OF CONDUCT IMPLEMENTATION:

Envoy Textiles is the member of amfori BSCI (Business Social Compliance Initiatives) COC & amfori BEPI (Business Environmental Performance Initiatives) COC.

BSCI strong code of conduct has 11 principles that support the members. These range from fair remuneration to no child labour, along with a step-by-step approach that enables companies to monitor, engage, get empowered and receive support to put sustainable trade at the heart of their business.

The amfori BEPI platform provides a single point for environmental performance data, while the sustainability intelligence dashboard helps users clearly visualize complex supply chains. These tools help the members identify environmental hotspots, compare data across the global supply chain and transform information into concrete insights and actions. They can then track and measure progress to support targeted improvements.





ICS (Initiatives for Compliance & Sustainability):

ICS member brands and retailers work together since its foundation to sustainably improve conditions for people at work, and responsibly support their supplying factories to implement progress and compliance. This joint approach is guided by the framework defined by the International Labour Organization (ILO) conventions, the universal Human rights principles and local social regulations. ICS members verify the actual working conditions in their supplying production sites by mandating ICS-accredited audit companies to conduct social audits.



CONTRIBUTOR FOR ZDHC & DETOX COMMITMENT:

The ZDHC Roadmap to Zero Programme takes a holistic approach to tackling the issue of hazardous chemicals in the global textile, leather and footwear value chain. Being a signatory, Envoy Textiles goal is to eliminate the use of priority hazardous chemicals by focusing on the following areas: Manufacturing Restricted Substances List (MRSL) & Conformity Guidance, Wastewater Quality, Audit Protocol, Research, Data and Disclosure, and Training.

Envoy Textiles Limited become member of ZDHC Current Value Chain Affiliates of Textiles.

In accordance with DETOX commitment, Envoy Textiles Limited has already made remarkable progress concerning the elimination of dangerous substances as defined in its M- RSL. The company carefully monitor, through periodical chemical analysis, any possible and unexpected deviation from its commitment, so that the company can readily intervene with corrective actions.



SUSTAINABLE PROJECT IMPLEMENTATION BY BRANDS

HIGG INDEX FEM 3.0:

Manufacturers use the Higg Facility Tools to measure the environmental performance of their facilities. These modules measure impacts at individual factories, not the parent company as a whole. Users conduct the assessments at least once a year, and these assessments are then verified by SAC-approved, on-site assessors. Benchmarking by facility type allows facility managers to compare their performance against that of their peers. The modules' aspirational-level questions give manufacturers clear guidance on hotspots for improvement and outline the current best practices in the field. The Higg Facility tools create opportunities for open conversation among supply chain partners so businesses at every tier in the value chain collectively perform better. Envoy Textiles Limited has engaged with this module since 2015 (Higg Index 2.0) and also verified Higg Index FEM 3.0 Recently. The scored of vFEM 3.0 is 86 for 2019.



Bangladesh PaCT (Partnership for Cleaner Textiles):

Envoy Textiles Limited has been doing this sustainability project by two brands VF Asia & TESCO since 2015 to till through IFC. PaCT is playing a leading role in driving the long-term competitiveness and environmental sustainability of the textile wet processing sector, by addressing high water, energy, and chemical use through the adoption of best practices in the textile sector. These best practices lead to declining resource consumption, soaring profits, and an enhanced image in the global apparel market. Below statistics had achieved by Envoy Textiles Limited in 2017 program and 2018 another program has been continuing.



YESS (Yarn Ethical Sustainability Sourced):

Responsible Sourcing Network (RSN), a project of the non-profit As You Sow, launched its newest initiative, YESS: Yarn Ethically and Sustainably Sourced. YESS will work to eradicate modern slavery in cotton harvesting and yarn production by enabling yarn spinners to identify and eliminate cotton and yarn produced with forced labor.



YESS will assist companies to comply with new anti-slavery regulations, minimize verification costs, establish an industry-wide traceability approach, and manage a global list of verified spinners. Envoy Textiles has engaged with this project by the customer name VF Corporation.



PURE PROJECT:

PURE project support by LIDL enabled ETL to transform performance towards greater environmental sustainability. Starting at a performance level of 32%, Envoy Textiles Ltd. has improved by 64% to now 96%. During the PURE Project the factory has well improved in the field of chemical inventory, competence development, chemical hazard identification and assessment, hazard communication, risk management and waste management.



In order to save water and energy and ensuring cleaner production, the outstanding actions

-that can be taken from the PURE “ETP improvement action plan”, “resource efficiency improvement plan” and “chemical substitution plan”-should be further followed to derive according actions for ongoing improvement.



Receiving ‘Presidential Award’ by Mr. Kutubuddin Ahmed, Chairman of the Company from Advocate Md. Abdul Hamid, Honorable President, Govt. Republic of Bangladesh.



Ozone Finishing Machine

GOVERNANCE



STATEMENT ON CORPORATE GOVERNANCE

Corporate governance is the system by which companies are directed and controlled by the management in the best interest of all the stakeholders, thereby ensuring greater transparency and better and timely financial reporting.

The Board of Directors are responsible for proper governance which includes setting out the Company's strategic aims, providing the necessary leadership to implement such aims, supervising the management of the business and reporting to the shareholders on their stewardships.

Envoy Textiles is committed to continually reviewing all corporate governance policies and practices to ensure the ongoing transparency of the company's practices and the delivery of high standards and quality information to stakeholders. The maintenance of effective corporate governance remains a key priority of the Board of Envoy Textiles Limited.

Envoy Textiles considers that its corporate governance practices comply with all the aspects of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018. In addition, to establish high standards of corporate governance, the Company also considers best governance practices in its activities.

Date of this Corporate Governance Statement

This Corporate Governance Statement reflects the corporate governance and other related policies and practices in place for the Envoy Textiles Limited as at 30 June 2020

Board of Directors

Composition

The Board of Envoy Textiles considers that its membership should comprise of directors with an appropriate mix of skills, experience and personal attributes that allow the directors, individually and the Board, collectively, to discharge their responsibilities and duties, under the law, efficiently and effectively, understand the business of the Company and assess the performance of the management.

The composition of the Board embraces diversity. The Directors have a range of local and international experience and expertise, and specialized skills to assist with decision making and leading the company for the benefit of shareholders.

The Board of Envoy Textiles comprises of Ten Directors, including Two Independent Directors, who possess a wide range of skills and experience over a range of professions and businesses. Each of the Directors bring in independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensures that the activities of the Company are always conducted with adherence to strict and highest possible ethical standards and in the best interests of the stakeholders.

Retirement and Re-election of Directors

As per the Article of Association of the company, at least one-third of the directors are to retire every year and they shall be those who have been longest in the office since their last election. But as for individuals who had been appointed as directors on the same day, their retirement shall (unless they otherwise agree themselves) be determined by lot, but they will remain eligible for re-election.

Independent Directors

a) Mr. Itrat Husain, FCMA, FCS was first appointed by the board as an Independent Director on 03 July 2019, accordingly approved by the Shareholders at 24th Annual General Meeting, held on 21 December 2019 for three years term.

Mr. Itrat Husain has over 42 years of experience in Corporate Management, both in the public and private reputed companies in senior positions in Finance functions, in Manufacturing, Trading and Service sectors in Asia, Europe and Africa, including over 11 years' experience in two Multinational Companies.

Mr. Itrat Husain is a Fellow Member of the Institute of Chartered Secretaries of Bangladesh (ICSB). He was a Past President of ICSB (2007-2008).

Mr. Itrat did his Chartered Management Accountancy (CIMA) from UK in 1981 and is also a Fellow Member of the Institute of Cost and Management Accountants of Bangladesh (ICMAB)

He has attended many training programmes and workshops both at home and abroad. He is a faculty member of ICSB and also organizes and conducts training programmes regularly. He is a certified trainer of IFC.



Mr. Itrat is a widely travelled person who has visited more than thirty three countries. He is a Rotarian and is also associated with various philanthropic and cultural activities in the country.

b) Mr. Syed Shahed Reza was first appointed by the board as an Independent Director on 11 October 2018, accordingly approved by the Shareholders at 23rd Annual General Meeting, held on 20 December 2018 for three years term.

Mr. Shahed is a dynamic personality, holds a Masters degree in Public Administration from Dhaka University, has multi-exposure in the field of diplomatic affairs, education, Social, Culture and Sports.

He was a Secretary to Bangladesh Ministry of Foreign Affairs and Ambassador to the Republic of Yemen. He was also an Ambassador to the Bangladesh Embassy in Kuwait.

He worked as National Chancellor-Bangladesh Chapter for International Association of Educations for World Peace (IAEWP), NGO UN (ECOSOC) UNDP, UNICEF, UNESCO and UNCEO.

Mr. Shahed is also an active sports organizer, he was a Secretary General of Bangladesh Olympic Association, apart from his leadership position in various prestigious sport organization.

He is actively engaged with different social and cultural activities and related organizations.

Both of the Independent Directors hold no shares in the Company.

Role and Responsibilities of the Board

The Board is committed to the Company seeking to achieve superior financial performance and long term prosperity, while meeting stakeholders' expectations of sound corporate governance practices.

The Board of Directors is in full control of the Company's affairs and is also fully accountable to the shareholders.

They firmly believe that the success of the Company largely depends on the credible corporate governance practices adopted by the Company. Taking this into consideration, the Board of Directors of the Company set out its strategic focus and look over the business and related affairs of the Company. The Board also formulates the strategic objectives and policy framework for the Company.

Chairman of the Board

The Chairman of the Board is elected to the office of Chairman by the directors. The Board considers that the Chairman is independent.

Role of the Chairman

The Chairman runs the Board. The Chairman serves as the primary link between the Board and management, and works with the Managing Director and Company Secretary to set the agenda for Board meetings. It is the Chairman's responsibility to provide leadership to the Board and ensure that the Board works effectively and discharges its responsibilities as Directors of the Company.

Chairman of the Board & Managing Director of the Company are different person

The Chairman of the Board is not the Chief Executive of the Company. The role of Chairman and the Managing Director are independent and separate.

Role of the CEO

The CEO is responsible for establishing and executing the Company's operating plan that is necessary to achieve the Company's objectives; as a coach, the CEO works with executives to help them become greater contributors by helping them improve their efficiency and effectiveness.

Conduct for the Board Members

The Board of Directors of Envoy Textiles is committed to the highest standards of conduct in their relationships with its employees, buyers, members, shareholders, regulators and the public.

Board Meeting

Board Meeting Practices

The Company shall conducts its Board meeting and record the minutes of the meetings as well as keep required books and records in line with the relevant provisions of Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

The Meetings of the Board of Directors of the Company are normally held at the Registered/Corporate Office of the Company. The meetings are held frequently, at least once in a quarter, to discharge its responsibilities and functions as mentioned above. The Meeting is scheduled well in advance and the notice of each Board meeting is given, in writing, to each director by the Company Secretary.



Number of Board meeting held in the financial year 2019-20

The number of meetings of the Board held during the accounting year, and the attendance of directors at those meetings are disclosed in the Annexure-IV of the Directors' Report.

The number of directors required to constitute a quorum at least 1/3rd of the Directors. During the year, total Fourteen (14) Board meetings were held.

Role of the Company Secretary

Appointed by the Board, the Company Secretary works with the Chairman of the Board to monitor and enhance corporate governance processes and to ensure that Board policies and procedures are tracked.

Role of the Chief Financial Officer

The Chief Financial Officer is a versatile individual with the talent to meet continually changing set of circumstances. He is responsible for finance, general accounts and treasury functions of the Company. In addition, he attends all board meetings and presents quarterly and periodical results.

He is to certify to the board regarding financial statements and financial transactions of the company according to the corporate governance guidelines as issued by Bangladesh Securities and Exchange Commission (BSEC).

Role of the Head of Internal Audit and Compliance

The Head of Internal Audit and Compliance is responsible for reporting to the Audit Committee regarding any deviation from accounting and internal control system of the Company. He is also responsible for ensuing regulatory compliance of the Company.

Senior Executive

Structure

The Company's management structure comprises of the CEO and the Head of the divisions. The Management Team (MT) is responsible for developing organizational and business strategies and sponsoring innovation and development of best practices across the company. The MT is also responsible for organizational effectiveness and the development of Envoy Textiles values and culture. The MT is responsible for managing performance and key business issues in line with the company's long term strategy.

Performance & Remuneration of Top Level Executives

The CEO is responsible for setting financial targets as well as operational and management goals for the members of the MT. Both short term and long term goals form part of the performance management of all senior executives. Long term goals are directly linked to the vision of the company. Short term goals are generally directly linked to objectives of the company. The Chairman and CEO conduct a detailed review of the performance of senior executives against these goals on quarterly basis.

Remuneration of all senior executives, are based on performance review appraisal measuring through quarterly and annual KPI (Key Performance Indicator) appraisal system. Performance and remuneration of top level executives is reviewed by Nomination & Remuneration Committee of the Board.

Board Committee

The Board has established a permanent Board Committee to assist advice and make recommendations to the Board on matters falling within their respective responsibilities.

Audit Committee

The Company's Audit Committee is a sub-committee of the Board of Directors of Envoy Textiles Limited formed in compliance with BSEC Corporate Governance Code dated 3 June 2018, Ref. No.#BSEC/CMRRCD/2006-158/207/Admin/80 and international best practices on Corporate Governance.

Objectives of the Audit Committee

The principal function of the Audit Committee is to exercise and have an oversight over the Company's risk management, financial reporting and regulatory compliance functions.

Composition of Audit Committee

An Audit Committee consisting of the Independent Director as Chairman and three other Directors as member has been constituted in terms of the BSEC guidelines for ensuring good governance practices. The Audit Committee of the Board had held 4 (Four) meetings during the reporting year and examined the coverage of internal and external audit.



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

Chairman of the Audit Committee and his qualifications

Independent Director Mr. Itrat Husain FCMA, FCS is the Chairman of Audit Committee. He did his Chartered Management Accountancy (CIMA) from UK in 1981 and is also a Fellow Member of the Institute of Cost and Management Accountants of Bangladesh (ICMAB). He has over 42 years of experience in Corporate Management, both in the public and private reputed companies in senior positions in Finance functions, in Manufacturing, Trading and Service sectors in Asia, Europe and Africa, including over 11 years' experience in two Multinational Companies.

The Audit Committee and Internal Audit

Internal Audit is the division within Envoy Textiles that is responsible for reviewing the Company's system of internal controls, including the conduct of regular audits of all operational units. Internal Audit is operationally independent and its members are not involved in the company's operational activities and in that the Head of Internal Audit, in addition to his direct reporting line to the Chairman & CEO, also has access to the Audit Committee.

The Audit Committee is responsible for approving the annual audit plan of Internal Audit Division and reviewing the plan's subsequent implementation. Internal Audit Reports or summaries thereof prepared by Internal Audit Division are reviewed on a regular basis by the committee.

Reporting of Audit Committee

The Audit Committee reports directly to the Board of Directors and under certain circumstances can also report to the Chairman.

Nomination and Remuneration Committee

Nomination and Remuneration Committee is a sub-committee of the Board, formed with the Terms of Reference as set forth in the condition No. 6(5)(b) of BSEC Notification no. BSEC/CMRRCD/2006- 158/207/Admin/80 dated 03 June 2018

Objectives of the Nomination and Remuneration Committee

The objective of the Nomination and Remuneration Committee is to assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executives as well as a policy for formal process of considering remuneration of directors and top level executives of the Company.

Composition of Nomination and Remuneration Committee

The Nomination and Remuneration Committee consisting of the Independent Director as Chairman and two other Directors as member has been constituted in terms of the BSEC guidelines for ensuring good governance practices. The Nomination and Remuneration Committee of the Board had held 2 (Two) meeting during the reporting year.

The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.

Internal Control

Internal Control is a process designed to provide reasonable assurance regarding the achievement of objectives relating to effectiveness and efficiency of operations, reliability of both external and internal financial and non financial reporting, and compliance with applicable laws and regulations at Envoy Textiles. The control system applies to all divisions and departments of the Company's operations.

Secretarial Standard

The Company has strictly complied with the Bangladesh Secretarial Standard (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

Compliance with rules and regulations

In this context, the Company provides complete set of financial statements and relevant documents to the Bangladesh Securities and Exchange Commission (BSEC), National Board of Revenue (NBR), Registrar of Joint Stock Companies & Firms (RJSC), Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE). The CFO and Company Secretary always satisfies the queries from the regulators on behalf the Company.



Compliance with Bangladesh Labor Act

The Company has complied with the relevant conditions of Bangladesh Labor Act 2006 (as amended in 2013) in respect of Workers' Profit Participation Fund (WPPF), Provident Fund, Gratuity etc.

Corporate Social Responsibility (CSR)

Envoy Textiles Limited is determined to carry out its business to achieve sustainable growth and ensure satisfaction of the customers, the employees, the vendors, the shareholders and every group of its stakeholders, in parallel with the company's corporate social responsible business approach. Envoy Textiles Limited focuses to support the social causes like Education and Youth development, Social and Environment, Religion and Art culture etc. Through the years, the company has continuously organized activities to pay back the society, hoping that everyone in the society will continue to co-inhabit with happiness and sustainable prosperity.

Company's CSR policy

The company will support programs and activities in the following areas:

To contribute to poverty alleviation and to reduce inequalities faced by socially and economically backward sections of society.

To support women empowerment, financial literacy, health, sanitation and hygiene and public awareness on various pertinent social and environmental topics.

To promote environmental sustainability and ecological balance through sustainable livelihood initiatives focused on natural resource, afforestation and plantation programs and awareness programs.

To promote education and skills development through initiatives on vocational and livelihood enhancing skills development programs, and programs aimed to nurture the talent of children and students in various fields.

To support victims of natural calamities and other disasters through relief and rehabilitation programs.

Communications and Relationship with Shareholders

Envoy Textiles strongly believes that all stakeholders should have access to complete information on its activities, performance and product initiatives. The Company's website www.envoytextiles.com displays, inter alia, the annual report, half yearly report, quarterly report, product offerings, recent announcements and event updates.

All required corporate information is available on the company's website in compliance with the regulation 44(2) of Stock Exchanges Listing Regulation 2015 and always updated on time for the Shareholders.

The Company reports to the shareholders, four times a year, through quarterly, half yearly report and detailed annual report. Every shareholder has the right to attend the annual general meeting, where they can meet and communicate with the directors and express their views regarding the Company's business, its future prospects and other matters of interest. The shareholders are always encouraged to attend the meeting or, if unable to attend, may appoint proxies.

All disclosures required by the Company Act, 1994, Bangladesh Securities and Exchange Commission, Listing Regulations of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited are made adequately and promptly.

Preparation and Presentation of Financial Statements and Directors' Responsibility

The Companies Act 1994 requires the Directors to prepare financial statements for each accounting year. The Board of Directors accept the responsibility of preparing the financial statements, maintaining adequate records for safeguarding the assets of the Company, preventing and detecting fraud and/or other irregularities, selecting suitable accounting policies and apply those policies, consistently, and making reasonable and prudent judgments and estimates where necessary.

Website

The Company has an official website linked with the website of the Stock Exchanges. All financial results are posted on the Investors Relation Pages of the Company's website: www.envoytextiles.com

Shareholders Queries

Envoy Textiles Limited has setup a separate Share Department under Company Secretariate Division. In addition, we have special queries telephone lines and an email address. Shareholders can contact +880-2-9102583-90 ext. 810 or mail to the Company's Share Department at: info@envoytextiles.com or golam.kibria@envoytextiles.com for any queries and/or grievances



REPORT OF THE AUDIT COMMITTEE

The Audit Committee oversees the Company's financial reporting process on behalf of the Board of Directors. The Company's management has the primary responsibility for the financial statements, for maintaining effective internal control over financial reporting, and for assessing the effectiveness of internal control over financial reporting. In fulfilling its oversight responsibilities, the Committee reviewed and discussed the financial statements and the related schedules with Company management, including a discussion of the quality, not just the acceptability, of the accounting principles; the balance between judgments; and the clarity of disclosures in the financial statements.

The Committee discussed with the Company's internal auditors and statutory auditors the overall scope and plans for their respective audits. The Committee meets with the internal auditors and the external audit firm, with or without the presence of the management, to discuss the results of their examinations; their evaluation of the Company's internal control and the overall quality of the Company's financial reporting.

In reliance on the reviews and discussions referred to above, the Committee recommended to the Board of Directors, that the financial statements and related schedules be included in the Annual Report to which the Board has approved,

The Committee is governed by a term of reference in line with requirements of BSEC notification on corporate governance. The Committee held four meetings during the fiscal year 2019-20. The Committee is comprised of four directors including an independent director, who is the Chairman of the Committee as defined by the Bangladesh Securities and Exchange Commission Corporate governance guideline Notification.

During the year 2019-20, the Audit Committee carried out the following activities:

1. Financial Reporting

Reviewed the quarterly, half-yearly and annual financial statement of the Company with the Chief Financial Officer and Chief Executive Officer, focusing particularly on significant changes to accounting policies and practices, adjustments arising from the audits, in compliance with the accounting standards and other legal requirements before recommending it to the Board for approval.

2. Internal Control and Internal Audit system

- a. Reviewed Internal Control and Internal Audit system periodically.
- b. Reviewed status reports of internal audit to ensure that appropriate actions had been taken to implement the audit recommendations.

3. External Audit

Reviewed with the external auditors, the Company's annual financial statements were discussed with the Chief Executive Officer and Chief Financial Officer, focusing on findings arising from audits, before recommending it to the Board of Directors for approval.

Itrat Husain FCMA, FCS

Chairman, Audit Committee

12 October 2020



NOMINATION & REMUNERATION COMMITTEE REPORT

In compliance with the provision of BSEC Code of Corporate Governance; Notification No. # BSEC/CMRRCD/2006-158/207/Admin/80; dated 03 June 2018; the Board of Directors of Envoy Textiles Limited (the Company) at its meeting held on 09 July 2018 constituted the Nomination and Remuneration Committee (the NRC). The NRC assists the Board in formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors and top-level Executives.

The NRC also assists by recommending to the Board in relation to appointment, removal and remuneration of Directors and top-level Executives.

A brief of the NRC and its roles, responsibilities and functions are appended below:

Composition and Meetings

The Committee shall consist of a minimum Three (3) directors including an Independent Director. The Company Secretary of the Company shall act as Secretary of the Committee. Membership of the Committee shall be disclosed in the Annual Report. Term of the Committee shall be continued unless terminated by the Board of Directors.

The NRC of the Company comprises of Three (3) members, including an Independent Director. The Committee includes:

1. Mr. Syed Shahed Reza, Chairman
2. Mrs. Rashida Ahmed, Member
3. Mrs. Sharmin Salam, Member

The Independent Director, Mr. Syed Shahed Reza acts as Chair of the Committee. As per regulatory guidelines, the Company Secretary, Mr. M Saiful Islam Chowdhury FCS acts as Secretary to the Committee. Relevant heads of divisions and other members of the Board are attended at the meetings in invitation, as required.

Policy for selection of Directors

In evaluating the suitability of individual Board members, the Nomination & Remuneration Committee (NRC) may take into account factors, such as:

- Educational and professional background
- General understanding of the Company's business dynamics
- Standing in the profession
- Personal and professional ethics, integrity and values
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

Criteria of Independence

The Nomination & Remuneration Committee shall assess the independence of Directors at the time of appointment / re-appointment. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

Independent Director shall also fulfill the criteria prescribed under condition 2(b) and 3 of BSEC Notification on Corporate Governance Code, ref. No. # BSEC/CMRRCD/2006-158/207/Admin/80; dated 03 June 2018

Remuneration Policy

Introduction

Envoy Textiles Limited has developed its remuneration policy for Directors and top-level Executives on the following principles: -

- a) The remuneration should be at levels where it should be possible to attract, retain and motivate all personnel.
- b) The remuneration consists of both fixed and variable pay which is linked to the business objectives of the Company.
- c) Ensuring that the relationship between remuneration and performance is clear and measurable to the extent possible.

Remuneration to Non-Executive Directors & Independent Directors

The remuneration to Non-Executive Directors & Independent Directors will be paid only in the form of meeting attendance fees. The Nomination and Remuneration Committee recommends the fees to be paid for both the Board and Committee thereof after considering the prevailing corporate practices. Thereafter, the Board approves the same.



Remuneration to Executive Directors

The Board, on the recommendation of the Nomination and Remuneration Committee, reviews and approves the remuneration payable to the Executive Directors. The Board and NRC shall consider the corporate performance in recommending and approving the remuneration to the Executive Directors.

Remuneration to top-level Executives

Top-level Executives are assigned grades according to their qualifications, experience, competencies, role and responsibility in the organization. Individual remuneration is determined within the grade and based on various factors such as job, profile, skill set, seniority, experience and prevailing remuneration levels for equivalent jobs.

Nomination Duties

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Developing a succession plan for the Board and top-level Executives and regularly reviewing the plan;
- Evaluating the performance of the Board members and top-level Executives in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of a top-level Executive of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

Remuneration Duties

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to approve the remuneration of the top-level Executives of the Company maintaining a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company.
- to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- to consider any other matters as may be requested by the Board.
- Professional indemnity and liability insurance for Directors and top-level Executives.

Activities of the NRC during the reporting period

One meetings of NRC were held during the reporting year 2019-20 and activities of the Committee at a glance below:

1. Recommended for the appointment of an Independent Director of the Company;
2. Determined & proposed the name of Director for retirement & reappointment;
3. Reviewed Annual Appraisal of Top-Level Executives of the Company;
4. Reviewed Director's Remuneration & fees;
5. Recommended for the appointment of Two top level Executives; and

For and on behalf of the Nomination and Remuneration Committee of Envoy Textiles Limited

Mr. Syed Shahed Reza
Chairman, Nomination and Remuneration Committee
12 October 2020



Mr. Tanvir Ahmed, Director of the Company is receiving 'National Export Trophy (Gold)' for the year 2016-17 for export performance, on behalf of the Company from Sk. Hasina, Honorable Prime Minister, Govt. Republic of Bangladesh.

DIRECTOR'S REPORT



DIRECTOR'S REPORT TO THE SHAREHOLDERS

DEAR SHAREHOLDERS:

In terms of provision of Section 184 of the Companies Act 1994, Rule 12 (and the schedule thereunder) of the Securities and Exchange Rules 1987 and Bangladesh Securities & Exchange Commission Notification, No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 on compliance of corporate governance Code, it is the pleasure of the Board of Directors to submit its Report to the Shareholders for the year ended 30 June 2020 in the following paragraphs:

INDUSTRY OUTLOOK

Bangladesh exports denim goods worth more than \$3 billion a year and has already overtaken China to become the top denim supplier to the EU. The production capacity of the 32 denim mills in Bangladesh is more than 40 million yards a month against a demand for nearly 70 million yards. The rest of the demand is met through imports from countries like China, India, Pakistan, and Turkey.

Top global brands/retailers have been flocking to Bangladesh for the quality of denim products at competitive prices. A relatively new entrant in denim, Bangladesh expects strong demand for the denim to continue. However, COVID-19 could be a major growth interrupter going forward.

As the second-largest global exporter of textiles and apparel to the world after China, Bangladesh has benefitted greatly from the US-China trade conflict over the few years. However, due to shorter lead time and a better business environment, Vietnam, India and other countries are close competitor, with whom US retailers and investors feel safer.

Bangladeshi garment makers are expecting the total denim export will reach \$7 billion by the end of 2021

Demand for denim products are increasing worldwide. It is predicted that the size of the global denim market will reach \$64.1 billion by the end of 2021.

In getting higher prices and to make an entry into more expensive premium products, Bangladesh needs to focus on more sophisticated technology-based manufacturing industries. This would include innovative technology in washing, dyeing, manufacturing and the rolling out of the finished goods.

The government also needs to adhere to the denim manufacturers demanded policy support regarding a better gas and electricity connection at cheaper prices to increase fabric production capacity.

THE STATE OF THE COMPANY'S AFFAIRS

Envoy Textiles Limited is a 100% export oriented denim fabric manufacturer and the first denim project in Bangladesh with Rope Dyed Technology having a current installed production capacity of 52 million yards denim fabrics per annum.

The Company earned LEED (Leadership in Energy and Environmental Design) Platinum score, the first ever achieved by any textile manufacturer in Bangladesh and denim manufacturer in the world, is a testimony to Company's success in ensuring maximum environmental safety of its workplace.

The Company started its commercial operation with an initial production capacity of 16 million yards per annum in 2008, over the period the capacity has expanded more than three times.

The Company's attainable optimum running capacity is about 50 million yard of Fabrics per annum from 4.5 oz to 14.75 oz in different recipes, colors and shades.

Company is more focused with product development through research and innovation and its effort is to produce diverse range of denim fabrics to cater in upper market segment.

The Company has its own state of the art Spinning Plant with a production capacity of 67 MT of yarn per day. The Spinning Plant is at the same compound of existing Denim Factory in Bhaluka, Mymensing.

The Spinning Plant came into commercial operation at the end of 2016. The attaining capacity is almost 100% of installed capacity, mostly the yarn of the company's spinning plant consumes in houses.



Production Capacity verses actual Production for last five years in operation:

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Installed Production Capacity (in million yard)	52.00	52.00	50.00	50.00	50.00
Actual Production (in million yard)	37.35	44.71	39.41	37.77	*39.49
Capacity Utilized (in percentage)	71.83	85.97	78.82	75.54	78.99
Numbers of Loom Machine in Operation	384	384	364	364	314
Spinning Unit:					
Installed Production Capacity (in million kg)	22.00	22.00	21.00	17.50	-
Actual Production (in million kg)	19.37	19.58	17.56	11.36	-
Capacity Utilized (in percentage)	88.04	89.02	83.62	64.91	-

* Annualized

RISKS AND CONCERNS

Since the Bangladesh Denim Industry is an export-oriented sub-sector, its growth is mostly dependent on the economic stability of importing countries. A repeat of economic recession, high volatility of cotton price in the international market, infrastructural bottlenecks, government stiff textile export policy, and political unrest will surely put the industry at a systematic risk. The Industry is struggling to survive and to be competitive mainly because of the ongoing gas crisis and the frequent hike in energy prices.

Moreover, due to COVID-19 sea freight cost has gone up significantly in recent times, for the consequence, business is becoming more expensive for the local manufacturer. Global demand declined drastically on the impact of the pandemic situation.

The Company is aware of its following various risks and concerns and is prepared to meet those by systematic control:

Industry Market Risk- Bangladesh has to compete with other established manufacturers in countries like China, India, Pakistan, Cambodia and Vietnam. India and Pakistan are the two leading denim exporters that have become very lucrative to international buyers as the countries local currency devaluated against the dollar exchange rate. Also the countries have cost advantages being they producing cotton. Besides, Pakistan is enjoying a GSP facility in the EU market. Due to the rising cost in China, buyers are already planning to move to other cost efficient destinations like Bangladesh. Moreover, Bangladesh Denim Textile Industry has a competitive advantage as we have a very developed garments infrastructure and continuously upgrading skills of human resources enabling us to bring out high quality and cost competitive products.

Demand Risk- The demand for denim products is not growing at the expected level, as the younger generation now are more fascinating with electronic gadgets rather than buying fashionable denim wears. Climate changes have a seasonal demand variation and it could have a significant impact in some years.

Financial Risk- Risk and uncertainties for use of estimates in preparation of financial statements has been disclosed in note number 4 of the Financial Statements.

Raw Material Price Risk- Cotton price in the world market is volatile, since cotton price is directly correlated with crops harvesting. The Company is procures cotton during harvesting period in order to maintain a sufficient stock to cover up such price fluctuation over the year.

Foreign Exchange Risk- As payment for Raw Materials is set-off by realization from export proceeds in the same foreign currency. Foreign Exchange rate fluctuation risk is very minimal which is adjusted through natural hedge.



OPERATIONAL PERFORMANCE

Revenue Segment

The Company operates in single product line; production of denim fabrics with diverse, quality, recipe, color, weight, fashion, etc is only product of the business.

Revenue is generated from different sources; core revenue of the company comes from deemed export through export oriented local RMG against back to back LC.

The Company also exports fabric directly to more than 15 countries around 20-25% of its total production.

Part of revenue is cash incentive from the Govt. on export.

A small amount of revenue comes from weaving & finishing, B grade fabric sales, sample sales and stock fabric sales.

There are also some revenue from exporting dyed yarn through export oriented local knit RMG.

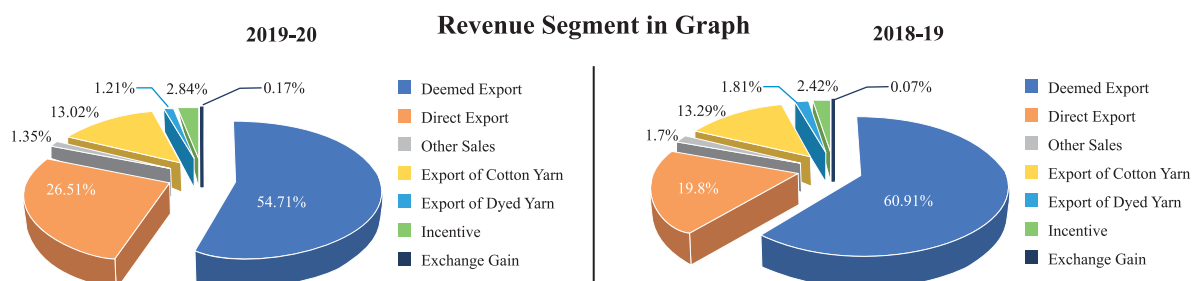
Foreign Exchange fluctuation gain or loss is recognized in Revenue separately as an export-oriented company.

A volume of around 25 to 30% of yarn produced from Spinning Unit exports through local export-oriented denim fabrics manufacturers.

Revenue performance

all figures in million BDT

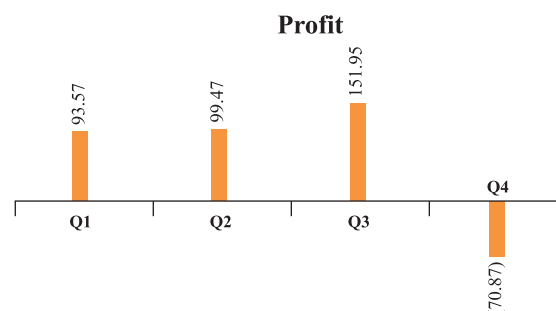
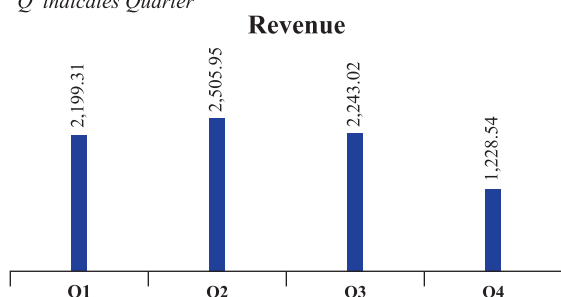
Revenue	2019-20	In %	2018-19	In %	Difference	In %
Deemed Export	4,473.39	54.71	5,554.05	60.91	(1,080.66)	(11.85)
Direct Export	2,167.98	26.51	1,805.78	19.80	362.2	3.97
Other Sales	110.66	1.35	154.65	1.70	(43.99)	(0.48)
Export of Cotton Yarn	1,079.59	13.20	1,211.73	13.29	(132.14)	(1.45)
Export of Dyed Yarn	99.03	1.21	165.26	1.81	(66.23)	(0.73)
Export Cash Subsidy	232.45	2.84	220.79	2.42	11.66	0.13
Exchange Fluctuation Gain	13.72	0.17	6.26	0.07	7.46	0.08
Total	8,176.82	100	9,118.52	100	(941.7)	(10.33)



QUARTERLY RESULTS (2019-2020)

Particulars	Q1	Q2	Q3	Q4	Total
Revenue in million BDT	2,199.31	2,505.95	2,243.02	1,228.54	8,176.82
Q to Q in %	-	13.94	(10.49)	(45.23)	-
NP in million BDT	93.57	99.47	151.95	(70.87)	274.12
Q to Q in %	-	6.31	52.75	(146.64)	-

'Q' indicates Quarter





In the 3rd quarter, Gross Profit has increased by 10.23%, though Revenue has declined a little as compared to the 2nd quarter as the Company booked some sales contracts relatively at a higher margin. Also, in the same period, a nominal amount of Tax provision was taken into accounts by adjusting Tax provision for the 1st & 2nd quarters. As a result, Net Profit for that period has increased significantly.

Revenue earnings of the Company were not in a steady flow during the year. Revenue has increased by 13.94% in the 2nd quarter. But in the 3rd quarter, it has decreased. And in the final quarter, it has declined a lot, due to the impact of COVID 19.

The plant was completely shut down at around half of the period in the third quarter (March to June 2020), complying the government instruction for preventing the spread of coronavirus, whereas absorbed entire overhead cost during the period, on account of this, a considerable net loss has incurred for that period. There was significant deviation from quarter to quarter financial results.

Cost Analysis

all figures in million BDT

Particulars	2019-20	2018-19	2017-18	2016-17	*2015-16
Cost of Raw Materials	4,881.74	5,570.46	4,776.09	3,920.94	2,921.44
Other Production Overhead	2,153.75	2,042.14	1,699.93	1,483.63	920.86
Total Cost of Production	7,035.50	7,612.60	6,476.02	5,404.57	3,842.30
Cost per Yard in BDT	159.95	142.74	140.87	125.27	129.72
% of Raw Materials Cost to Production:	69.39	73.17	73.75	72.55	76.04
Cost of Goods Sold (COGS)	6,882.73	7,419.62	6,358.04	4,994.61	3,858.79
Revenue	8,176.82	9,118.52	7,558.43	6,078.74	4,753.78
% of COGS to Revenue	84.17	81.37	84.11	82.17	81.18
Gross Profit (GP)	1,294.09	1,698.89	1,200.39	1,084.13	894.99
GP Ratio	15.83%	18.63%	15.88%	17.83%	18.83%
Net Profit after Tax	274.12	554.43	329.94	321.18	353.46
NP Ratio	3.35%	6.08%	4.36%	5.28%	7.44%

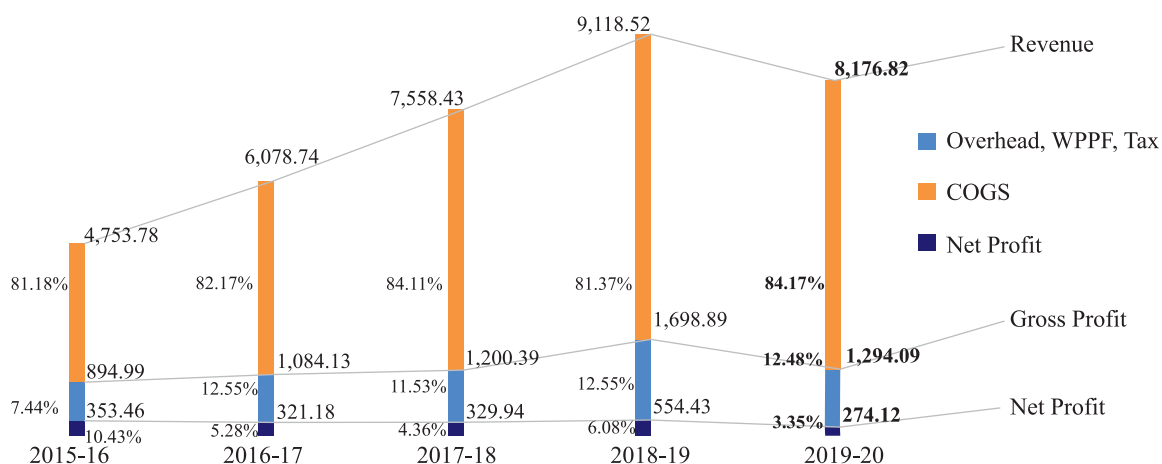
** for 9 months period*

Unit Cost Calculation

2019-20

Total COGS- in million Taka	6,882.73
(Less)Proportionate Cost of Yarn Export Sale- in million Taka	908.69
COGS for Fabric- in million Taka	5,974.04
Fabric Sold During the year in Yard- in million	37.35
Cost Per Yard of Fabric in Taka	159.95

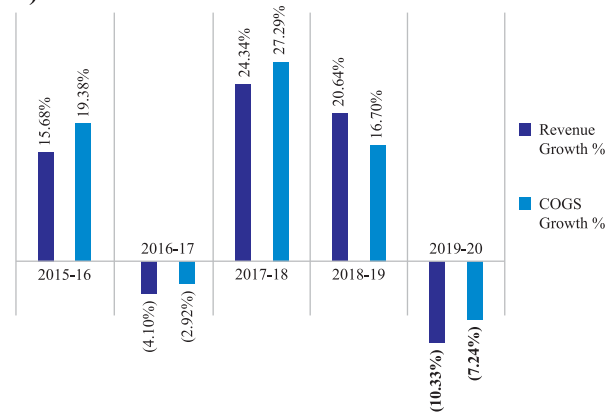
Comparative Cost analysis in Graph:



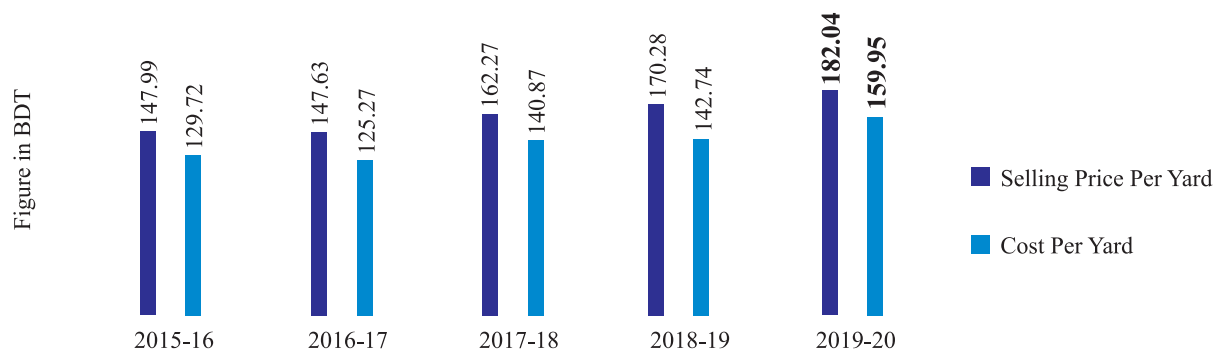


Revenue Growth Vs. COGS (all figures in million BDT)

Year	2019-20	2018-19	2017-18	2016-17	2015-16
Revenue	8,176.82	9,118.52	7,558.43	6,078.74	6,338.37
Revenue Growth Rate	(10.33)	20.64%	24.34%	(4.10%)	15.68%
COGS	6,882.73	7,419.62	6,358.04	4,994.61	5,145.05
COGS Growth Rate	(7.24)	16.70%	27.29%	(2.92%)	19.38%



Average Selling Price Vs. Cost of Production per yard for last Five years:



Significant events relating to financial operating results

Revenue of the Company decreased by 10.33% over previous financial year. The revenue up to February 2020 were stable, but it has declined drastically from end of March 2020 due to impact of the coronavirus.

The Coronavirus pandemic struck and everything started going downwards rapidly. Most of the buyers were cancelling orders that had been produced, delaying payments and asking for discounts on already shipped goods. Others were following a wait and watch policy and refraining from placing new orders.

The business operation was completely halted for around two months in final quarter of the reporting period, whereas incurred all overhead cost during this period.

Moreover, the selling price per yard of fabric declined as the buyers had taken benefit out of covid situation.

As a result, the company accrued loss for this period that first time ever after the listing.

Financial expenses were almost same as previous year, since the benefit of government declared stimulus package has not been accounted for in the reporting period.

Net operating Cash Flow has deteriorated to Taka 1.56 per share from Taka 2.58 in the previous year in result of drop off the revenue.

The company has paid for an excess amount of BDT 61.38 million against consumption of natural gas due to price hike, which is 32% more as compared to previous year.

Depreciation in absolute terms has increased by BDT 66.25 million during the year as compared to previous year because of assets accumulation for improving plant efficiency.

Other Expenses which include various manufacturing, marketing and administrative overheads has remained more or less same as that for FY 18-19 in absolute terms.

The net profit has declined by 50.56% to Taka 274.12 million, an acceptable result considering pandemic business situation.



MARKETING OPERATION

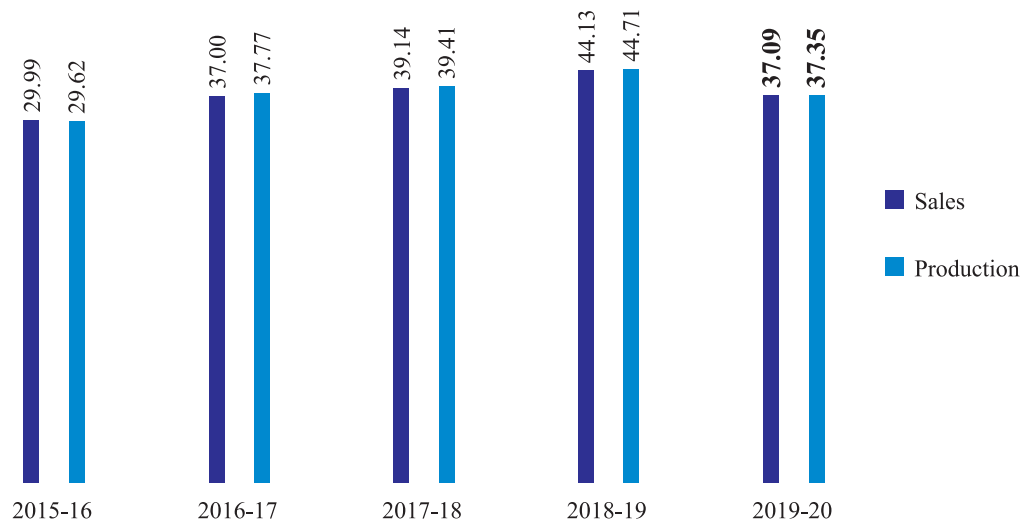
Sales of Fabrics

(in million yards)

	2019-20	2018-19	2017-18	2016-17	*2015-16
Deemed Export- Local RMG	24.96	32.40	30.14	30.30	23.72
Direct Export- International Market	10.53	9.31	3.77	2.55	4.10
Others Fabrics Sales	1.60	2.42	5.23	4.15	2.17
Total Sales of Fabrics	37.09	44.13	39.14	37.00	29.99

* for 9 months period

Sales Vs. Production for last five years (Million in Yards)



Selling Price Per Yard of Fabric in BDT

	2019-20	2018-19	2017-18	2016-17	2015-16
Deemed Export- Local RMG	179.22	171.42	173.60	154.23	152.10
Export/Direct International Market	205.88	193.96	164.01	168.23	165.48
Others Fabrics Sales	69.16	63.90	95.50	86.85	70.30
Weighted Average Selling Price per Yard	182.04	170.28	162.26	147.63	147.99

Fabrics Sales (In Million BDT)

	2019-20	2018-19	2017-18	2016-17	*2015-16
Deemed Export- Local RMG	4,473.39	5,554.05	5,232.39	4,672.84	3,607.19
Export- International Market	2,167.98	1,805.78	618.73	429.28	678.46
Others Fabrics Sales	110.66	154.65	500.01	360.56	152.55
Total Sales	6,752.03	7,514.48	6,351.13	5,462.68	4,438.20

* for 9 months period



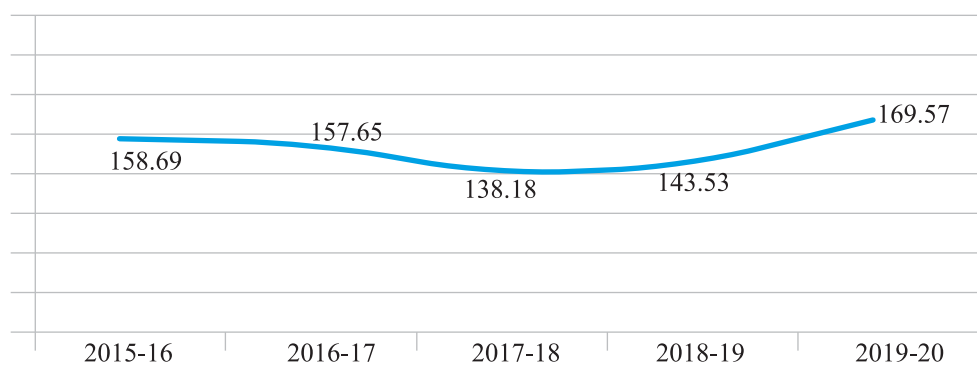
CONTRIBUTION TO NATIONAL EXCHEQUER

all figures in million BDT

	2019-20	2018-19	2017-18	2016-17	*2015-16
Coporate Income Tax	63.47	45.70	53.20	45.36	29.98
Advance Income Tax(TDS)	75.55	63.91	54.78	64.73	66.83
VAT	5.07	7.29	8.32	12.27	8.67
Import Duty	21.57	23.49	19.50	32.08	45.48
Stamp Duty	0.49	0.58	0.59	0.59	4.44
Licence Fees etc.	3.42	2.56	1.80	2.62	3.29
Total	169.57	143.53	138.18	157.65	158.69

* for 9 months period

National Exchequer in Graph



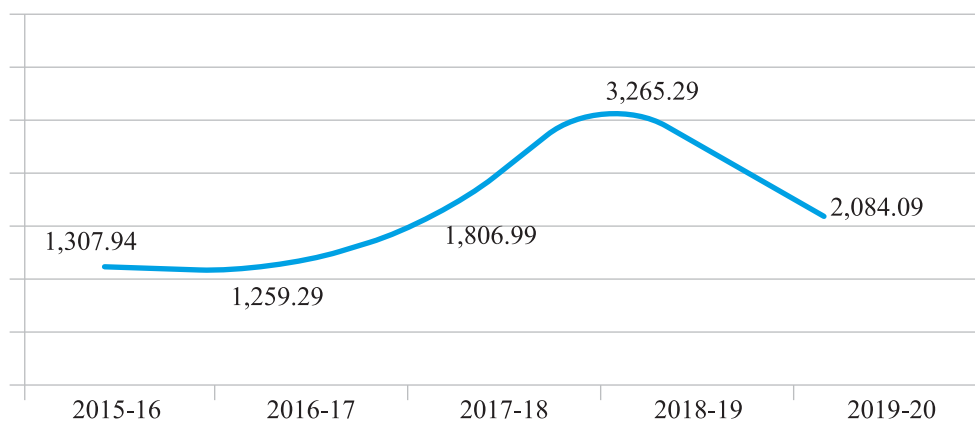
FOREIGN EXCHANGE EARNED/SAVED

all figures in million BDT

	2019-20	2018-19	2017-18	2016-17	*2015-16
Export Earnings	7,819.99	8,736.81	6,855.03	5,539.60	4,285.65
Import Cost:					
Raw Material Yarn	931.02	785.82	967.42	1,507.74	2,098.92
Raw Material Cotton	3,754.07	3,428.84	3,149.95	1,994.94	321.89
Raw Material Dyes & Chemical	979.56	1,181.27	856.24	686.56	497.45
Spare Parts	49.90	49.23	50.86	52.02	43.93
Miscellaneous	21.35	26.36	23.55	39.05	15.52
Net Export Earned/ Saved	2,084.09	3,265.29	1,806.99	1,259.29	1,307.94

* for 9 months period

Foreign Exchange Saved in Graph



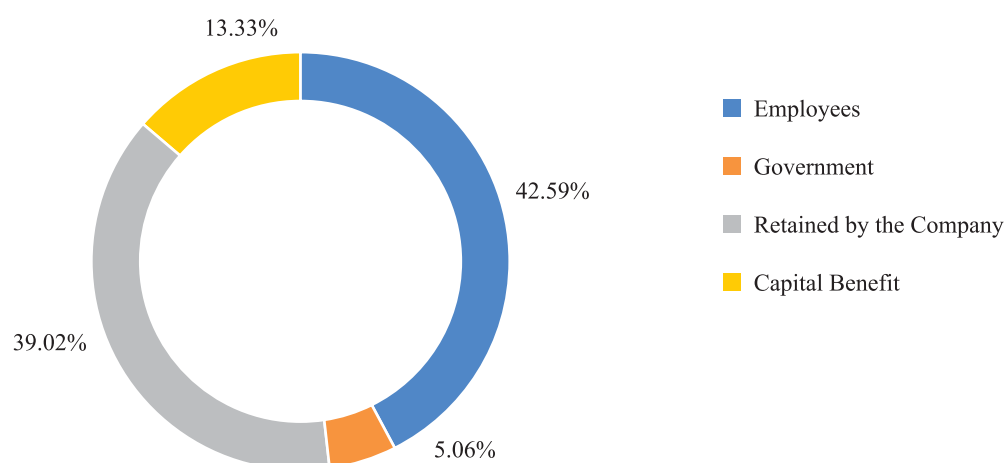


VALUE ADDED STATEMENT

all figures in million BDT

Particulars	Amount 30 June 2020	Amount 30 June 2019
Source of Fund:		
Net Sales Revenue	8,176.82	9,118.52
Less: Purchase of Raw Materials and Services	(6,294.60)	(6,983.93)
Other Income	1.57	2.13
Total	1,883.79	2,136.71
Application of Fund:		
Employees		
Salary, Wages and Other Benefits	787.91	772.59
Contribution to Workers Profit Participation Fund	14.35	32.64
	802.26	805.23
Government		
Corporate Income Tax	64.82	45.70
Other Government Duties	30.55	33.92
	95.37	79.62
Capital Benefit		
Cash Dividend	251.18	163.91
Retained by the Company		
Depreciation & Ammortization	762.62	697.43
Retained Earnings	(27.64)	390.52
	734.98	1,087.95
Total	1,883.79	2,136.71

Distribution of value addition in 2019-2020





CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Directors, in accordance with BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018; confirm compliance with the financial reporting framework for the following:

- a. The financial statements prepared by the management of Envoy Textiles, present fairly its state of affairs, the results of its operations, cash flows and changes in equity;
- b. Proper books and accounts of the Company have been maintained;
- c. Appropriate accounting policies have been consistently applied except for the changes disclosed in the financial statements in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d. International Accounting Standards (IAS), Bangladesh Accounting Standards (BAS), International Financial Reporting Standards (IFRS), Bangladesh Financial Reporting Standards (BFRS) as applicable in Bangladesh, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
- e. The system of internal control is sound in design and has been effectively implemented and monitored;
- f. There were a significant deviation from the operating result of the last year and the reasons thereof have been explained under operational performance para in this report.
- g. There was no significant variance between the quarterly and the annual financial performance of the company during the year 2019-20
- h. There was no extra-ordinary gain or loss during the year 2019-20
- i. There were related party transactions during the year 2019-20, which are disclosed in note no. 38 of the financial statements.

KEY OPERATING AND FINANCIAL DATA

Key operating and financial information for the last five years as per requirement of the condition (1)(5)(xix) of BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, are presented as '*Annexure I*' titled under Key Operating and Financial Data.

DECLARATION

Declaration by the CEO and the CFO to the Board as required under condition No. 3(3) of BSEC Notification, Ref No. # BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 has been disclosed in '*Annexure II*'.

SHAREHOLDING PATTERN

Shareholding patterns of the Company as on 30 June 2020, are stated in '*Annexure III*' of this report as required by condition (1)(5)(xxiii) of the BSEC Notification dated 03 June, 2018

BOARD MEETING, ATTENDANCE & REMUNERATION TO THE DIRECTORS

During the year ended 30 June 2020, a total of Fourteen (14) Board Meetings were held and the attendance by the Directors are summarized in '*Annexure IV*' of this report. The remuneration of the Directors has been mentioned in Note 39.01 & 39.02 of the Financial Statements. The Directors of the Company, other than Independent Directors have forgone their meeting attendance fees for the year 2019-20

PROPOSED DIVIDEND

The Board recommended Cash Dividend @ 5% (i.e. Taka 0.50 per share of Taka 10.00 each) for the year ended 30 June 2020

STOCK DIVIDEND

The Board has not recommended Stock Dividend for the year ended 30 June 2020, in order to keep a healthy earning per share. This is to confirm that no bonus share or stock dividend has been declared by the Board during the year 2019-20 as interim dividend.



DISTRIBUTION OF PROFIT

Considering the need for expansion and product innovation, increasing cost of external sources of fund, the Board of Directors have proposed and recommended for appropriation as follows:

a) Net Profit after Tax for the year ended 30 June 2020	Tk. 274,122,133.00
b) Proposed Cash Dividend subject to deduction of Tax	Tk. 83,867,383.50
c) Profit carried forward	Tk. 190,254,749.50

DIRECTORS RE-APPOINTMENT

As per Article- 125 of the Articles of Association of the Company, the following Three Directors will retire from the office of directorship of the Company in the ensuing 25th Annual General Meeting:

Mr. Kutubuddin Ahmed,

Mrs. Rashida Ahmed and

Mrs. Sharmin Salam.

Being eligible for re-election as per Article- 126 of the Articles of Association of the Company, they applied for a re-appointment.

Brief resume of appointee Directors are enclosed as ‘*Annexure V*’ in compliance with the Provision (1)(5)(xxiv) of BSEC Notification dated 03 June, 2018.

AUDITORS RE-APPOINTMENT

In 24th Annual General Meeting, shareholders appointed M/S Mahfel Huq & Co., Chartered Accountants, as the external auditors for auditing the financial statements of the Company for the year ended 30 June 2020 at a remuneration of Tk.1,75,000.00 until the conclusion of 25th Annual General Meeting.

The existing Auditors have completed second year of audit. They are eligible to continue in accordance with the provision of BSEC Order No. BSEC/ CMRRCD/2006-158/208/Admin/ 81 dated 20 June 2018 and Regulation No. 15(3) of DSE (Listing) Regulations, 2015 and they have expressed their intention to be reappointed for the next term at an increased fee.

In recommendation of the Audit committee, the Board in its Meeting held on 12 October 2020 proposed for reappointment of M/S Mahfel Huq & Co., Chartered Accounts to hold office for the period until conclusion of the 26th Annual General Meeting of the Company for auditing the accounts for the year ended 30 June 2021.

MANAGING DIRECTOR RE-APPOINTMENT

Mr. Abdus Salam Murshedy, MP was appointed as Managing Director of the Company for a period of 5 years at the 20th Annual General Meeting of the Company held on 26 December 2015. His appointment will expire on the 25th AGM.

The Board of Directors of the Company at its meeting held on 12 October 2020, subject to the approval of the members of the Company at 25th AGM, approved the re-appointment of Mr. Abdus Salam Murshedy as Managing Director of the Company for a period of 5 years.

Mr. Abdus Salam Murshedy, MP has been on the Board of Directors of the Company since incorporation by virtue of Articles of Association of the Company and providing his strategic and general management expertise to the Company. Mr. Murshedy aged 57 years, is graduated from University of Dhaka. He started his career with RMG and is President of the Exporters Association of Bangladesh and Ex-President of BGMEA. He has been engaged in the development of Bangladesh football for a long immediately after retiring as a national football team player and he is serving as senior vice president of Bangladesh Football federation. He is the member of parliament for consecutive two terms.

APPOINTMENT OF PROFESSIONAL ACCOUNTANT/ SECRETARY

It is required to appoint a practicing Professional Accountant/ Secretary for conducting compliance audit for the year 2020-21 on corporate governance code by Bangladesh Securities & Exchange Commission (BSEC) in compliance with the provision of 9(2) of BSEC Notification dated 3 June 2018, Ref. No. # BSEC/CMRRCD/2006-158/207/Admin/80 in order to obtain a certificate on compliance of conditions of the said Corporate Governance Code of the Commission.



In recommendation of the Audit Committee, the Board proposed the name of M/S ARTISAN, Chartered Accountants, of Shah Ali Tower (6th Floor) 33, Kawran Bazar, Dhaka-1215 for appointment to conduct the compliance audit for the year 2020-2021 at a remuneration to be fixed at Annual General Meeting.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis Report for the year under review, as stipulated under provision 5(xxv) of BSEC Notification dated 3 June 2018, Ref. No. # BSEC/CMRRCD/2006-158/207/ Admin/80 is given as an '*Annexure VI*' to this report.

CORPORATE GOVERNANCE COMPLIANCE AUDIT

Pursuant to the provision of BSEC Notification, No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, the Board of Directors has appointed M/S, ARTISAN, Chartered Accountants, as practicing Professional Accountant for conducting Corporate Governance Compliance Audit of the Company for the financial year ended 30 June 2020.

The Corporate Governance Compliance Audit Report & Certificate thereof is annexed herewith as '*Annexure VIII & IX*'. The Compliance Audit report does not contain any qualification, reservation or adverse remarks.

STATUS OF CORPORATE GOVERNANCE COMPLIANCE

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 03 June 2018 is enclosed as '*Annexure VII, VIII & IX*'.

GOING CONCERN

The Directors, having made appropriate enquiries, have satisfied themselves that no material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified, and they have a reasonable expectation that the Company has adequate financial resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis.

UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES

The Company's IPO was made in the year 2012. The proceeds from public issues have been fully utilized and reported accordingly.

FINANCIAL RESULTS AFTER PUBLIC ISSUE OF SHARES

The Company went into public floating of shares in 2012, as of reporting financial year the revenue has been increased gradually year to year since public issue. But the profit has declined in last two years, due to excessive price hike in power cost, increase of raw material cost and intensive price competition.

MINORITY INTEREST

Minority shareholders interest have been protected from abusive action by, or in the interest of controlling shareholders acting either directly or indirectly and have effective means of redress.

There was not taken such decision by the Board in the year 2019-20 by which the interest of minority shareholders could be hampered.

STATUS OF ISSUANCE OF PREFERENCE SHARES

The company has issued 87,000,000 Preference Shares for 5 years at face value of Taka 10.00 each at par for a total amount of Taka 870.00 Million through private placement to the potential investors with the approval of Bangladesh Securities and Exchange Commission for capital investment in BMRE and to settle the existing high cost debt.

The said preference shares shall be fully redeemable cumulative non-convertible within 5 years and to be redeemed the principal amount by yearly equal installments commencing from the first-year end from the date of subscription. Dividend will be paid semi-annually in arrear basis at a fixed rate of 10% p.a.

During the financial year 2019-20 a total of Taka 360 million has subscribed.



MANAGEMENT APPRECIATION

The Board of Directors record with deep appreciation the performance of the management, the officers, staff and workers whose continuous effort helped increase the productivity as well as the net profit despite the natural and unnatural adverse factors of production and marketing throughout the country and the world. It is expected the employees and the management will continue to improve the results for the interest of shareholders whose unwavering trust in the management has always been an inspiration to the Board of Directors. The Directors express their gratitude and acknowledge with keen interest the cooperation and unflinching support received from various agencies including Bangladesh Securities and Exchange Commission, Stock Exchanges, National Board of Revenue, Board of Investment, Bank/Financial Institutions and other agencies of the public.

On behalf of the Board of Directors,

Kutubuddin Ahmed
Chairman
Monday, 12 October 2020
Dhaka



Mr. Kutubuddin Ahmed, Chairman of the Company is receiving 'National Environment Award 2019' on behalf of the Company from Sk. Hasina, Honorable Prime Minister, Govt. Republic of Bangladesh.





এনভয় টেক্সটাইলস লিমিটেড

শেয়ারহোল্ডারগণের প্রতি পরিচালনা পর্ষদের প্রতিবেদন

সম্মানিত শেয়ারহোল্ডারবৃন্দ :

পরিচালনা পর্ষদ আনন্দের সাথে ৩০ জুন ২০২০ সমাপ্ত আর্থিক বছরের, কোম্পানী আইন ১৯৯৪ এর ধারা নং ১৮৪, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ রুলস ১৯৮৭ এর ১২ নং বিধির (এবং তফসিল অনুযায়ী) শর্তানুসারে এবং ০৩ জুন ২০১৮ তারিখের প্রাতিষ্ঠানিক সূশাসন পালনের নির্দেশাবলী সম্পর্কিত বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের জারীকৃত নোটিফিকেশন নং BSEC/CMRRCD/2006-158/207/Admin/80 অনুসারে এর প্রতিবেদন সম্মানিত শেয়ারহোল্ডারবৃন্দের কাছে নিম্নোক্ত পরিচ্ছেদগুলোতে পেশ করছেন:

শিল্পের অবস্থান

বাংলাদেশ বছরে ৩ বিলিয়ন ডলারের ডেনিম পন্য রপ্তানি করে থাকে; এবং ইতিমধ্যে বাংলাদেশ চায়নাকে অতিক্রম করে ইউরোপীয় বাজারে শীর্ষে উঠে এসেছে।

বর্তমানে বাংলাদেশে ৩২টি ডেনিম শিল্প প্রতিষ্ঠান থেকে মাসে ৭০ মিলিয়ন গজ চাহিদার বিপরীতে ৪০ মিলিয়ন গজের মত ডেনিম ফ্রেব্রিক্স উৎপাদিত হচ্ছে। চাহিদার বাকি অংশ চায়না, ভারত, পাকিস্তান ও তুরস্ক থেকে আমদানী হচ্ছে।

বিশ্বের শীর্ষস্থানীয় ক্রেতারা বাংলাদেশ থেকে মানসম্মত সাশ্রয়ী দামে ডেনিম পন্য কিনতে ভীড় করছে। অপেক্ষাকৃত বাজারে নতুন হলেও এখাতে বাংলাদেশ একটি দারুণ সম্ভাবনা দেখছে। যদিও সাম্প্রতিক সময়ে করোনা প্রাদুর্ভাব অগ্রগতির একটি অন্তরায় হতে পারে।

টেক্সটাইলস ও পোশাক খাতে বাংলাদেশ দ্বিতীয় সর্বোচ্চ রপ্তানিকারক হিসাবে সাম্প্রতিক সময়ের ইউএস-চায়নার মধ্যে ব্যবসায়িক বৈরিতার সুফল পাচ্ছে। যদিও, প্রতিযোগীশীল দেশ ভিয়েতনাম, ভারত ও অন্যান্য দেশ সমূহ উন্নত ব্যবসায়িক পরিবেশ এবং স্বল্পসময়ে পন্য সরবরাহ সুবিধা দিতে পারায় একটি সুবিধাজনক স্থানে আছে। ২০২১ সাল নাগাদ বৈশ্বিক বাজার ৬৪.১ বিলিয়ন ডলারে দাঁড়ানোর সম্ভাবনা আছে এবং বাংলাদেশের রপ্তানি এসময়ে ৭ বিলিয়ন ডলারে পৌঁছাতে পারে।

বাংলাদেশের ডেনিম পন্যের চাহিদা বিশ্বব্যাপী দিনদিন বাড়ছে। অবশ্য বাংলাদেশকে উন্নত বাজার দখল করতে হলে আধুনিক মানসম্মত প্রযুক্তির উৎপাদন ব্যবস্থায় মনোনিবেশ করতে হবে। বিশেষ করে ওয়াশিং, ডাইং এবং ফিনিশিং-এর ক্ষেত্রে উদ্ভাবনী প্রযুক্তি নিয়ে আসতে হবে। সরকারকেও এক্ষেত্রে টেক্সটাইলস শিল্প বিকাশে নীতি সহায়ক সুবিধা দিতে হবে, বিশেষ করে প্রতিযোগীশীল বাজারে টিকে থাকতে হলে গ্যাস ও বিদ্যুতের মূল্য সহনীয় পর্যায়ে রাখতে হবে।

কোম্পানীর বিষয়াদির অবস্থা

এনভয় টেক্সটাইলস লিমিটেড বার্ষিক ৫২ মিলিয়ন গজ উৎপাদন ক্ষমতাসম্পন্ন বাংলাদেশে স্থাপিত প্রথম রোপ ডাইয়িং প্রযুক্তির শতভাগ রপ্তানীমুখী ডেনিম ফ্রেব্রিক্স উৎপাদনকারী একটি প্রতিষ্ঠান। কোম্পানী ২০০৮ সালে বার্ষিক ১৬ মিলিয়ন গজ ডেনিম ফ্রেব্রিক্স উৎপাদন ক্ষমতা নিয়ে বানিজ্যিক উৎপাদন শুরু করে এবং এযাবৎ সময়ে এ উৎপাদন ক্ষমতা তিনগুনে উন্নীত হয়েছে।

এনভয় টেক্সটাইলস লিমিটেড লীড প্লাটিনাম সার্টিফাইড একটি প্রতিষ্ঠান। এ অর্জন বাংলাদেশের টেক্সটাইলস উৎপাদনকারী প্রতিষ্ঠানের এবং বিশ্বের ডেনিম উৎপাদনকারী প্রতিষ্ঠানের মধ্যে সর্বপ্রথম, যা কোম্পানীর সর্বোচ্চ পরিবেশগত নিরাপত্তার নিশ্চয়তা বিধান করে।

৪.৫ আউন্স থেকে ১৪.৭৫ আউন্সের বিভিন্ন প্রকারের ফ্রেব্রিক্স বর্তমানে সর্বোচ্চ বাৎসরিক প্রায় ৫০ মিলিয়ন গজ পর্যন্ত উৎপাদন করা সম্ভব। গবেষণা ও উৎকর্ষ সাধনের মাধ্যমে ফ্রেব্রিক্সের গুণগত মান ও বৈচিত্র্য সৃষ্টি করে উন্নত বাজার দখল করাই কোম্পানীর অন্যতম লক্ষ্য।

কারখানা প্রাঙ্গণের অভ্যন্তরে দৈনিক ৬৭ মেট্রিক টন সূতা উৎপাদনের সক্ষমতায় কোম্পানীর একটি নিজস্ব স্পিনিং প্ল্যান্ট স্থাপিত হয়েছে। ২০১৬ সালের শেষ নাগাদ এই কারখানা থেকে বানিজ্যিকভাবে সূতা উৎপাদন শুরু হয় এবং বর্তমানে দৈনিক উৎপাদন ক্ষমতার শতভাগ পরিমাণ সূতা উৎপাদিত হচ্ছে, যার সিংহভাগই মানসম্মত কোম্পানীর নিজস্ব ডেনিম ফ্রেব্রিক্স উৎপাদনে ব্যবহৃত হয়।

বিগত ৫ বছরের উৎপাদন ক্ষমতার বিপরীতে প্রকৃত উৎপাদনের চিত্রঃ

বিবরণ	২০১৯-২০	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	২০১৫-১৬
স্থাপিত উৎপাদন ক্ষমতা (মিলিয়ন গজে)	৫২.০০	৫২.০০	৫০.০০	৫০.০০	৫০.০০
প্রকৃত উৎপাদন (মিলিয়ন গজে)	৩৭.৩৫	৪৪.৭১	৩৯.৪১	৩৭.৭৭	*৩৯.৪৯
ব্যবহৃত উৎপাদন ক্ষমতা (শতাংশে)	৭১.৮৩	৮৫.৯৭	৭৮.৮২	৭৫.৫৪	৭৮.৯৯
উৎপাদনে ব্যবহৃত লুম মেশিনের সংখ্যা	৩৮৪	৩৮৪	৩৬৪	৩৬৪	৩১৪
স্পিনিং ইউনিট :					
স্থাপিত উৎপাদন ক্ষমতা (মিলিয়ন কেজি)	২২.০০	২২.০০	২১.০০	১৭.৫০	-
প্রকৃত উৎপাদন (মিলিয়ন কেজি)	১৯.৩৭	১৯.৫৮	১৭.৫৬	১১.৩৬	-
ব্যবহৃত উৎপাদন ক্ষমতা (শতাংশে)	৮৮.০৪	৮৯.০২	৮৩.৬২	৬৪.৯১	-

* বাৎসরিক হিসেবে



ঝুঁকি ও এর অবস্থান

বাংলাদেশের ডেনিম শিল্প যেহেতু রপ্তানীমুখী একটি শিল্প, যার সাফল্য বহুলাংশে আমদানীকারক দেশ সমূহের অর্থনৈতিক স্থিতিশীলতার উপর নির্ভরশীল। বৈশ্বিক অর্থনীতিতে মন্দা, আন্তর্জাতিক বাজারে তুলার মূল্যে উঠানামা, অবকাঠামোগত সীমাবদ্ধতা, সরকারী নীতি ব্যবস্থাপনা এবং রাজনৈতিক অস্থিরতা এ শিল্পকে দারুণভাবে প্রভাবিত করতে পারে।

গ্যাসের স্বল্পতা এবং সাম্প্রতিক সময়ে কয়েক দফায় জ্বালানীর মূল্য বৃদ্ধির কারণে পণ্যের উৎপাদন ব্যয় বৃদ্ধি পাওয়ায় এ শিল্প ইতিমধ্যে দারুণভাবে আন্তর্জাতিক বাজারে প্রতিযোগিতার সম্মুখীন হচ্ছে এবং নিজেদের অস্তিত্ব টিকিয়ে রাখার লড়াই করছে। যার ফলশ্রুতিতে দেশীয় উৎপাদনকারীরা প্রতিযোগিতার সক্ষমতা হারাচ্ছে। অধিকন্তু, করোনা ভাইরাস প্রাদুর্ভাবে সমুদ্রপথে জাহাজ ভাড়া সাম্প্রতিক সময়ে অনেক বৃদ্ধি পেয়েছে। এছাড়া ভাইরাসের প্রাদুর্ভাবে ফেব্রিক্সের আন্তর্জাতিক চাহিদা দৃশ্যমানভাবে হ্রাস পেয়েছে।

কোম্পানী এর নিম্নোক্ত বিভিন্ন ঝুঁকির বিষয়ে সজাগ রয়েছে এবং এসব ঝুঁকি মোকাবিলায় প্রয়োজনীয় নিয়ন্ত্রনমূলক ব্যবস্থায়ীনে আছে :

শিল্পপণ্যের বাজারজনিত ঝুঁকি

বাংলাদেশকে আন্তর্জাতিক বাজারে চীন, ভারত, পাকিস্তান, কম্বোডিয়া ও ভিয়েতনামের মতো প্রতিষ্ঠিত রপ্তানীকারক দেশগুলোর সাথে প্রতিযোগিতা করতে হয়। ইতিমধ্যে ভারত ও পাকিস্তানে উল্লারের বিপরীতে দেশ দুটির স্থানীয় মুদ্রা অবমূল্যায়িত হওয়ায় আন্তর্জাতিক ক্রেতাদের নিকট এসব দেশ থেকে আমদানীকৃত ডেনিম পণ্যমূল্য সাশ্রয়ী হচ্ছে। সূতা উৎপাদনকারী দেশ হওয়াতে এদেশ দুটির পণ্য উৎপাদন খরচ তুলনামূলক ভাবে কম থাকে। এছাড়াও পাকিস্তান ইউরোপীয় ইউনিয়নের বাজারে গুরুমুক্ত পণ্য রপ্তানী সুবিধা পেয়েছে। অন্যদিকে চীনে ডেনিম পণ্যের উৎপাদন ব্যয় বৃদ্ধির ফলে আন্তর্জাতিক ক্রেতার অন্যান্য মূল্য সাশ্রয়ী দেশের পাশাপাশি বাংলাদেশমুখী হচ্ছে। এছাড়া বাংলাদেশের একটি সমৃদ্ধ তৈরী পোশাক শিল্প রয়েছে এবং ধারাবাহিক মানবসম্পদ উন্নয়নের মাধ্যমে উন্নত মানের মূল্যসাশ্রয়ী পণ্য উৎপাদনে বাংলাদেশ ইতিমধ্যে সক্ষমতা অর্জন করেছে, যা বাজারঝুঁকি মোকাবিলায় একটি নিয়ামক শক্তি।

চাহিদাজনিত ঝুঁকি

বর্তমানে বিশ্বের তরুণ সমাজ পছন্দসই ডেনিম সামগ্রী ক্রয়ের পরিবর্তে অত্যাধুনিক যোগাযোগ-প্রযুক্তি পণ্যের দিকে অধিক ঝুঁকি পড়ায় ডেনিম পণ্যের আশান্বিত চাহিদার প্রবৃদ্ধি হচ্ছে না। এছাড়াও কোন কোন বছরে জলবায়ু পরিবর্তনের প্রভাবে সৃষ্ট ঋতু বৈচিত্রের তারতম্যে ডেনিম পণ্যের চাহিদা ব্যাপক ভাবে হ্রাস-বৃদ্ধি হতে পারে।

আর্থিক ঝুঁকি

হিসাব বিবরণী যে সব অনুমানের মানদণ্ডে প্রস্তুত করা হয়েছে, সে সব অনুমানজনিত ঝুঁকির বিষয়ে আর্থিক বিবরণীর পদটীকা ৪-এ বিস্তারিত উল্লেখ করা হয়েছে।

কাঁচামালের মূল্য তারতম্যজনিত ঝুঁকি:

যেহেতু ফেব্রিক্সের অন্যতম কাঁচামাল- সূতার উৎপাদন সরাসরি তুলা উৎপাদনের সাথে নির্ভরশীল এবং তুলা একটি কৃষিজাত পণ্য হওয়ায় এর মূল্য দ্রুত পরিবর্তনশীল। মূল্য উঠা-নামা জনিত ঝুঁকি হ্রাসের লক্ষ্যে শস্য মৌসুমে কোম্পানী পর্যাপ্ত তুলা আমদানী করে মজুদ করে থাকে।

বৈদেশিক মুদ্রার বিনিময়হারজনিত ঝুঁকি

যেহেতু সম বৈদেশিক মুদ্রায় কাঁচামালের ক্রয় মূল্য পরিশোধিত হয় পণ্যের রপ্তানী আয় থেকে, ফলে বৈদেশিক মুদ্রার বিনিময় হারের তারতম্য স্বাভাবিকভাবে সমন্বয় হয়ে যায় এবং এ ঝুঁকি খুবই নগন্য।

ব্যবসায়িক কার্যক্রমের দক্ষতা

রাজস্ব খাত

কোম্পানী বিভিন্ন প্রকারের গুণমাত্র ডেনিম ফেব্রিক্সই উৎপাদন ও রপ্তানী করে থাকে।

কোম্পানীর মুনাফা একাধিক খাত থেকে অর্জিত হয়। কোম্পানীর রাজস্বের প্রধান উৎস হলো ব্যাক টু ব্যাক এলসির বিপরীতে রপ্তানীমুখী স্থানীয় পোশাক শিল্পের মাধ্যমে প্রচলিত রপ্তানী আয়।

সরাসরি আন্তর্জাতিক ক্রেতাদের নিকট ফেব্রিক্স রপ্তানী থেকেও রাজস্ব অর্জিত হয়। কোম্পানীর মোট উৎপাদনের আনুমানিক ২০ থেকে ২৫ শতাংশ ১৫টির অধিক দেশে সরাসরি রপ্তানী হয়ে থাকে।

রাজস্বের একটি ক্ষুদ্র অংশ রপ্তানীর উপর সরকারের নগদ সহায়তা থেকে আসে।

এছাড়াও অল্প কিছু পরিমাণ রাজস্ব রপ্তানীযোগ্য নয় এমন কিছু নিম্নমানের ফেব্রিক্স, স্যাম্পল ফেব্রিক্স ইত্যাদি বিক্রয় থেকে আসে।

বৈদেশিক মুদ্রার বিনিময়হার জনিত অর্জিত লাভ রাজস্ব আয়ের খাত হিসেবে পৃথকভাবে দেখানো হয়।

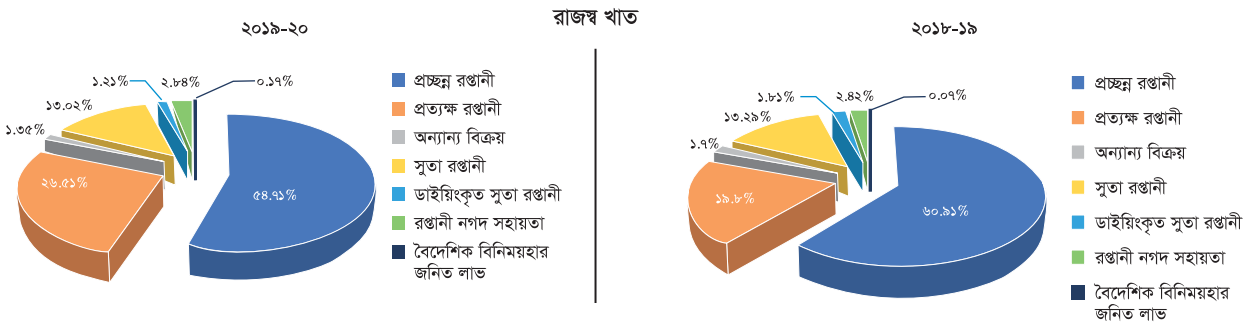
এছাড়া রপ্তানীমুখী স্থানীয় নীট ডেনিম প্রতিষ্ঠানের নিকট ডায়িংকৃত সূতা রপ্তানীর মাধ্যমেও সামান্য পরিমাণ রাজস্ব অর্জিত হয়ে থাকে।

কোম্পানীর নিজস্ব স্পিনিং ইউনিট থেকে উৎপাদিত সূতার ২৫ থেকে ৩০ শতাংশ পরিমাণ রপ্তানীমুখী স্থানীয় ডেনিম প্রতিষ্ঠানের নিকট রপ্তানী হয়ে থাকে।



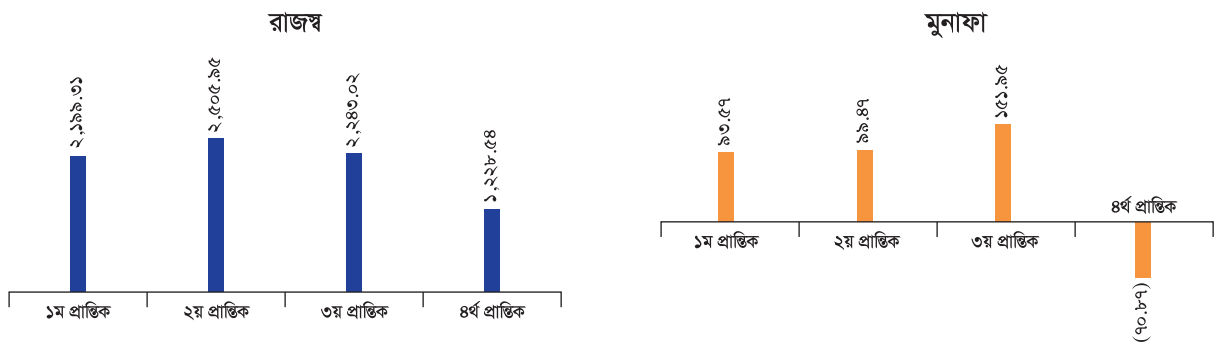
রাজস্বের খাতওয়ারী দক্ষতার সারসংক্ষেপ (সকল সংখ্যা মিলিয়ন টাকায়)ঃ

রাজস্বের খাত	২০১৯-২০	শতাংশে	২০১৮-১৯	শতাংশে	+/- হ্রাস/বৃদ্ধি টাকায়	শতাংশে
প্রাচলন রপ্তানী	৪,৪৭৩.৩৯	৫৪.৭১	৫৫৫৪.০৫	৬০.৯১	(১,০৮০.৬৬)	(১১.৮৫)
প্রত্যক্ষ রপ্তানী	২,১৬৭.৯৮	২৬.৫১	১৮০৫.৭৮	১৯.৮০	৩৬২.২০	৩.৯৭
অন্যান্য ফেব্রিক্স বিক্রয়	১১০.৬৬	১.৩৫	১৫৪.৬৫	১.৭০	(৪৩.৯৯)	(০.৪৮)
সুতা রপ্তানী	১,০৭৯.৫৯	১৩.২০	১২১১.৭৩	১৩.২৯	(১৩২.১৪)	(১.৪৫)
ডাইয়িংকৃত সুতা রপ্তানী	৯৯.০৩	১.২১	১৬৫.২৬	১.৮১	(৬৬.২৩)	(০.৭৩)
রপ্তানী নগদ সহায়তা	২৩২.৪৫	২.৮৪	২২০.৭৯	২.৪২	১১.৬৬	০.১৩
বৈদেশিক মুদ্রার বিনিময়হার জনিত অর্জিত লাভ	১৩.৭২	০.১৭	৬.২৬	০.০৭	৭.৪৬	০.০৮
মোট	৮,১৭৬.৮২	১০০	৯১১৮.৫২	১০০	(৯৪১.৭০)	(১০.৩৩)



২০১৯-২০ অর্থবছরের ত্রৈমাসিক ফলাফলঃ

বিবরণ	১ম প্রান্তিক	২য় প্রান্তিক	৩য় প্রান্তিক	৪র্থ প্রান্তিক	মোট
রাজস্ব আয় (মিলিয়ন টাকায়)	২,১৯৯.৩১	২,৫০৫.৯৫	২,২৪৩.০২	১,২২৮.৫৪	৮,১৭৬.৮৫
প্রান্তিক হ্রাস-বৃদ্ধির হার	-	১৩.৯৪	(১০.৪৯)	(৪৫.২৩)	-
কর পরবর্তী নীট মুনাফা	৯৩.৫৭	৯৯.৪৭	১৫১.৯৫	(৭০.৮৭)	২৭৪.১২
তুলনামূলক হ্রাস-বৃদ্ধির হার	-	৬.৩১	৫২.৭৫	(১৪৬.৬৪)	-



তৃতীয় প্রান্তিকে রাজস্ব দ্বিতীয় প্রান্তিকের তুলনায় কিছুটা কমলেও মোট মুনাফা বেড়েছে ১০.২৩ শতাংশ, কারণ এসময়ে ফেব্রিক্সের গজ প্রতি বিক্রয় মূল্য তুলনামূলক বেশি ছিল। এছাড়াও কর বাবদ সঞ্চিতি প্রথম এবং দ্বিতীয় প্রান্তিকে তুলনায় কম ছিল বলে তৃতীয় প্রান্তিকে নীট মুনাফা দৃশ্যমানহারে বেড়েছে।

বছরজুড়ে রাজস্ব আহরণ বিকাশমান ছিলনা; যথেষ্ট হ্রাসপতন ছিল। দ্বিতীয় প্রান্তিকে রাজস্ব বেড়েছে ১৩.৯৪ শতাংশ, কিন্তু তৃতীয় প্রান্তিকে এসে কমেছে; এবং কনোরার প্রাদুর্ভাবে বছরের শেষ প্রান্তিকে রাজস্ব অনেকখানি কমেছে।

করোনা প্রাদুর্ভাব দমনে রাষ্ট্রীয় সিদ্ধান্ত অনুযায়ী মার্চ থেকে জুন ২০২০ তৃতীয় প্রান্তিকের এ পুরো সময়জুড়ে উৎপাদন সম্পূর্ণরূপে বন্ধ ছিল, উপরন্তু এসময়ের জন্য কোম্পানীকে সমস্ত উৎপাদন ও প্রসাশনিক উপরিব্যয় বহন করতে হয়েছে, যার ফলশ্রুতিতে শেষ প্রান্তিকে একটি উল্লেখযোগ্য নীট ক্ষতি দাঁড়িয়েছে।

প্রতি প্রান্তিকের তুলনামূলক ফলাফলে যথেষ্ট বিচ্যুতি ছিল।



উৎপাদন ব্যয় বিশ্লেষণঃ

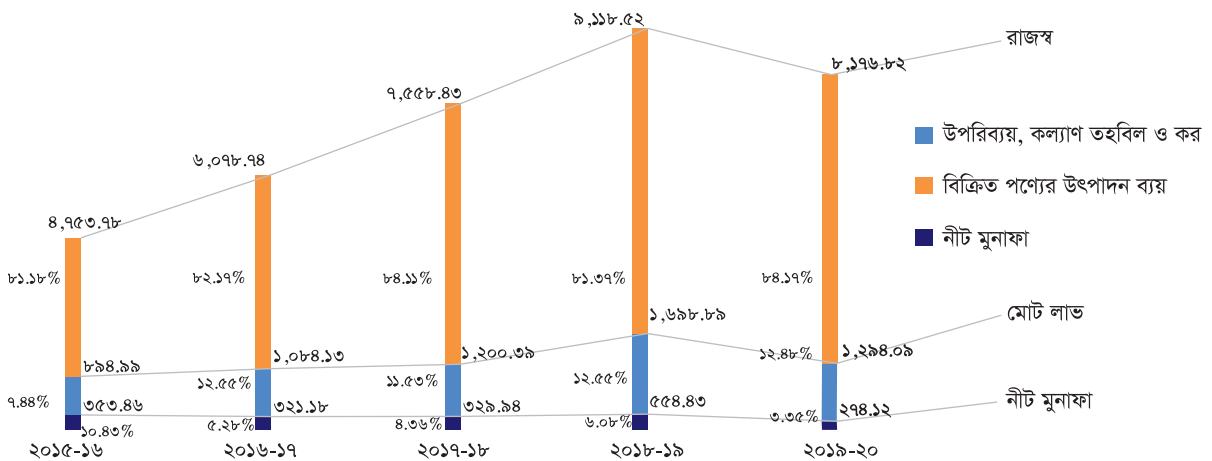
বিবরণ	২০১৯-২০	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	*২০১৫-১৬
কাঁচামাল বাবদ ব্যয়	৪,৮৮১.৭৪	৫,৫৭০.৪৬	৪,৭৭৬.০৯	৩,৯২০.৯৪	২,৯২১.৪৪
অন্যান্য উৎপাদন উপরিখরচ	২,১৫৩.৭৫	২,০৪২.১৪	১,৬৯৯.৯৩	১,৪৮৩.৬৩	৯২০.৮৬
মোট উৎপাদন ব্যয়	৭,০৩৫.৫০	৭,৬১২.৬০	৬,৪৭৬.০২	৫,৪০৪.৫৭	৩,৮৪২.৩০
প্রতি গজের উৎপাদন ব্যয়	১৫৯.৯৫	১৪২.৭৪	১৪০.৮৭	১২৫.২৭	১২৯.৭২
উৎপাদন ব্যয়ে কাঁচামালের হার (শতাংশে)	৬৯.৩৯	৭৩.১৭	৭৩.৭৫	৭২.৫৫	৭৬.০৪
বিক্রিত পণ্যের উৎপাদন ব্যয়	৬,৮৮২.৮২	৭,৪১৯.৬২	৬,৩৫৮.০৪	৪,৯৯৪.৬১	৩,৮৫৮.৭৯
রাজস্ব আয়	৮,১৭৬.৮২	৯,১১৮.৫২	৭,৫৫৮.৪৩	৬,০৭৮.৭৪	৪,৭৫৩.৭৮
বিক্রয় মূল্যের তুলনায় ক্রয় মূল্যের হার (শতাংশে)	৮৪.১৭	৮১.৩৭	৮৪.১১	৮২.১৭	৮১.১৮
মোট লাভ	১,২৯৪.০৯	১,৬৯৮.৮৯	১,২০০.৩৯	১,০৮৪.১৩	৮৯১.৯৯
মোট মুনাফা হার	১৫.৮৩%	১৮.৬৩%	১৫.৮৮%	১৭.৮৩%	১৮.৮৩%
কর পরবর্তী নীট মুনাফা	২৭৪.১২	৫৫৪.৪৩	৩২৯.৯৪	৩২১.১৮	৩৫৩.৪৬
নীট মুনাফা হার	৩.৩৫%	৬.০৮%	৪.৩৬%	৫.২৮%	৭.৪৪%

* ৯ মাসের হিসাব

উৎপাদন ব্যয় নির্ণয়ঃ

	২০১৯-২০
মোট বিক্রিত পণ্যের উৎপাদন ব্যয়- মিলিয়ন টাকায়	৬,৮৮২.৭৩
(বাদ) সুতা রপ্তানির সমানুপাতিক ব্যয়- মিলিয়ন টাকায়	৯০৮.৬৯
ফেব্রিক্স বিক্রিত পণ্যের উৎপাদন ব্যয়	৫,৯৭৪.০৪
বহুরব্যাপী ফেব্রিক্স বিক্রয় (মিলিয়ন গজে)	৩৭.৩৫
প্রতিগজ ফেব্রিক্সের উৎপাদন খরচ (টাকায়)	১৫৯.৯৫

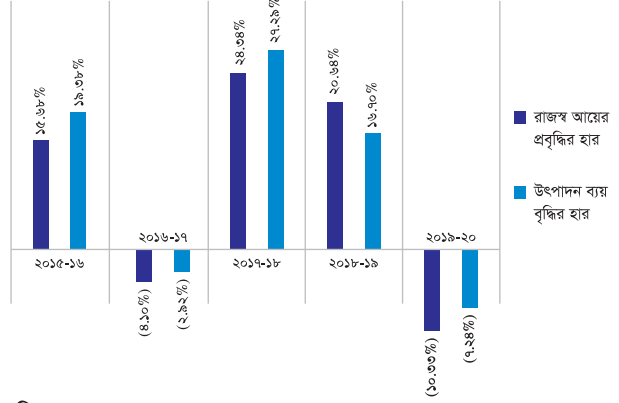
বিগত ৫ বছরের রাজস্ব আয়ের তুলনায় বিক্রিত পণ্যের উৎপাদন ব্যয়, উপরিব্যয় ও নীট মুনাফা হারের তুলনামূলক পর্যালোচনাঃ



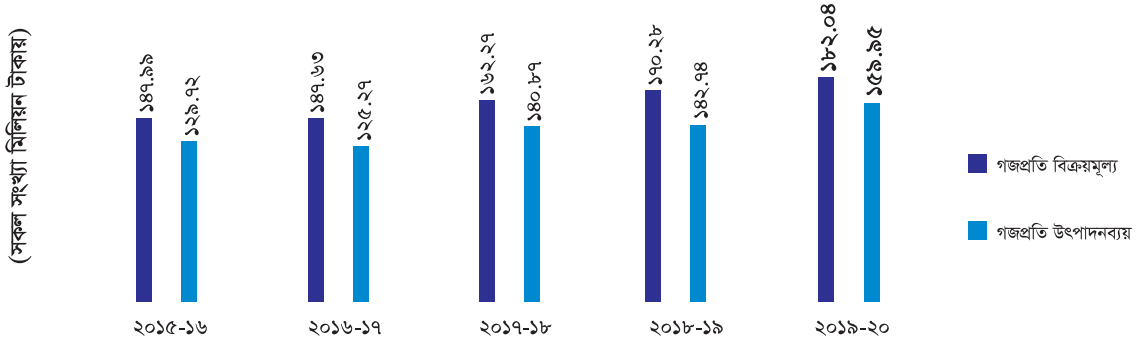


রাজস্ব আয়ের বিপরীতে উৎপাদন ব্যয় (সকল সংখ্যা মিলিয়ন টাকায়)

	২০১৯-২০	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	২০১৫-১৬
রাজস্ব আয়	৮,১৭৬.৮২	৯,১১৮.৫২	৭,৫৫৮.৪৩	৬,০৭৮.৭৪	৬,৩৩৮.৩৭
রাজস্ব আয়ের প্রবৃদ্ধির হার	(১০.৩৩)	২০.৬৪%	২৪.৩৪%	(৪.১০%)	১৫.৬৮%
বিক্রিত পণ্যের উৎপাদন ব্যয়	৬,৮৮২.৭৩	৭,৪১৯.৬২	৬,৩৫৮.০৪	৪,৯৯৪.৬১	৫,১৪৫.০৫
উৎপাদন ব্যয় বৃদ্ধির হার	(৭.২৪)	১৬.৭০%	২৭.২৯%	(২.৯২%)	১৯.৩৮%



গজপ্রতি ফেব্রুয়ারি গড় বিক্রয়মূল্যের বিপরীতে উৎপাদনব্যয়ের বিগত ৫ বছরের চিত্রঃ



পরিচালনগত আর্থিক ফলাফলে প্রভাব বিস্তারকারী গুরুত্বপূর্ণ বিষয়সমূহঃ

গত বছরের তুলনায় রাজস্ব ১০.৩৩ শতাংশ হ্রাস পেয়েছে। ফেব্রুয়ারি ২০২০ পর্যন্ত রাজস্বের ধারাবাহিক বৃদ্ধির একটি প্রবণতা ছিল কিন্তু করোনা ভাইরাস পরিস্থিতির কারণে মার্চ ২০২০ থেকে রাজস্বের পরিমাণ সাংঘাতিকভাবে হ্রাস পায়। করোনা ভাইরাস প্রাদুর্ভাব ব্যবসায়িক কর্মকাণ্ডে দ্রুত মন্দা পরিস্থিতি নিয়ে এসেছে; অধিকাংশ ক্রেতারা ক্রয়াদেশ বাতিল করেছে, লেনদেন পরিশোধে বিলম্ব করেছে, জাহাজীকৃত পণ্যের উপর ছাড় দিতে হয়েছে, নতুন ক্রয়াদেশ দিতে বিলম্ব করেছে।

সামগ্রিক ব্যবসায়িক কর্মকাণ্ড শেষ প্রান্তিকের পুরোসময় জুড়ে সম্পূর্ণরূপে স্থগিত ছিল। অন্যদিকে, কোম্পানীকে এসময়ের জন্য কারখানা ও প্রশাসনিক সকল উপরিব্যয় পুরোপুরি বহন করতে হয়েছে। ক্রেতারা করোনা পরিস্থিতিকে কাজে লাগিয়ে পণ্য মূল্যের উপর ছাড় নিয়েছে যার ফলশ্রুতিতে, কোম্পানীর শেষ প্রান্তিকে আর্থিক ফলাফলে নীট ক্ষতি হয়েছে, যা কোম্পানী তালিকাভুক্তি হওয়ার পর থেকে এই প্রথম কোন প্রান্তিকের নীট ক্ষতি।

ব্যাংক দেনা বাবদ আর্থিক খরচ গত বছরের তুলনায় প্রায় একই রকম ছিল, সরকার ঘোষিত হ্রাসকৃত সুদের প্রণোদনা এই আর্থিক বছরে প্রতিফলিত হয়নি।

রাজস্ব হ্রাস পাওয়ার নীট পরিচালনগত নগদ প্রবাহ শেয়ার প্রতি গত বছরের ২.৫৮ টাকা থেকে হ্রাস পেয়ে এবছর ১.৫৬ টাকা হয়েছে।

প্রাকৃতিক গ্যাসের মূল্য বৃদ্ধির কারণে গত বছরের তুলনায় এবছর ৬১.৩৮ মিলিয়ন টাকা বেশি পরিশোধ করতে হয়েছে।

উৎপাদন সক্ষমতা বৃদ্ধির জন্য মূলধনী ব্যয়ের বিপরীতে অর্জিত সম্পদের উপর অবচয়ভাণ্ডা গত বছরের তুলনায় এ বছর ৬৬.২৫ মিলিয়ন টাকা বৃদ্ধি পেয়েছে। অন্যান্য উপরিব্যয় গত বছরের তুলনায় মোটামুটি স্থিতিশীল ছিল।

এবছর নীট মুনাফা গত বছরের তুলনায় ৫০.৫৬ শতাংশ হ্রাস পেয়ে ২৭৪.১২ মিলিয়ন টাকায় দাঁড়িয়েছে, এটি করোনা পরিস্থিতি বিবেচনায় একটি গ্রহণযোগ্য ফলাফল।

বিপণন কার্যক্রম

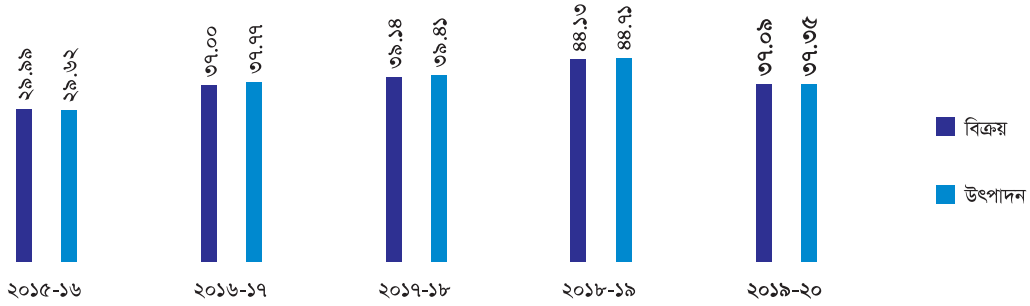
ফেব্রুয়ারি বিক্রয়ের পরিমাণ (মিলিয়ন গজে)ঃ

বিবরণ	২০১৯-২০	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	*২০১৫-১৬
প্রচ্ছন্ন রপ্তানী	২৪.৯৬	৩২.৪০	৩০.১৪	৩০.৩০	২৩.৭২
প্রত্যক্ষ রপ্তানী	১০.৫৩	৯.৩১	৩.৭৭	২.৫৫	৪.১০
অন্যান্য ফেব্রুয়ারি বিক্রয়	১.৬০	২.৪২	৫.২৩	৪.১৫	২.১৭
মোট ফেব্রুয়ারি বিক্রয়	৩৭.০৯	৪৪.১৩	৩৯.১৪	৩৭.০০	২৯.৯৯

* ৯ মাসের হিসাব



উৎপাদন ও বিক্রয়ের গত ৫ বছরের চিত্র (মিলিয়ন গজে)ঃ



প্রতিগজ ফেব্রিক্সের বিক্রয় মূল্য (টাকায়)ঃ

	২০১৯-২০	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	২০১৫-১৬
প্রচ্ছন্ন রপ্তানী	১৭৯.২২	১৭১.৪২	১৭৩.৬০	১৫৪.২৩	১৫২.১০
প্রত্যক্ষ রপ্তানী	২০৫.৮৮	১৯৩.৯৬	১৬৪.০১	১৬৮.২৩	১৬৫.৪৮
অন্যান্য ফেব্রিক্স বিক্রয়	৬৯.১৬	৬৩.৯০	৯৫.৫০	৮৬.৮৫	৭০.৩০
প্রতিগজ ফেব্রিক্সের গড় বিক্রয় মূল্য	১৮২.০৪	১৭০.২৮	১৬২.২৬	১৪৭.৬৩	১৪৭.৯৯

বিক্রয়ের পরিমাণ (মিলিয়ন টাকায়)ঃ

	২০১৯-২০	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	*২০১৫-১৬
প্রচ্ছন্ন রপ্তানী	৪,৪৭৩.৩৯	৫,৫৫৪.০৫	৫,২৩২.৩৯	৪,৬৭২.৮৪	৩,৬০৭.১৯
প্রত্যক্ষ রপ্তানী	২,১৬৭.৯৮	১,৮০৫.৭৮	৬১৮.৭৩	৪২৯.২৮	৬৭৮.৪৬
অন্যান্য ফেব্রিক্স বিক্রয়	১১০.৬৬	১৫৪.৬৫	৫০০.০১	৩৬০.৫৬	১৫২.৫৫
মোট বিক্রয়ের পরিমাণ	৬,৭৫২.০৩	৭,৫১৪.৪৮	৬,৩৫১.১৩	৫,৪৬২.৬৮	৪,৪৩৮.২০

* ৯ মাসের হিসাব

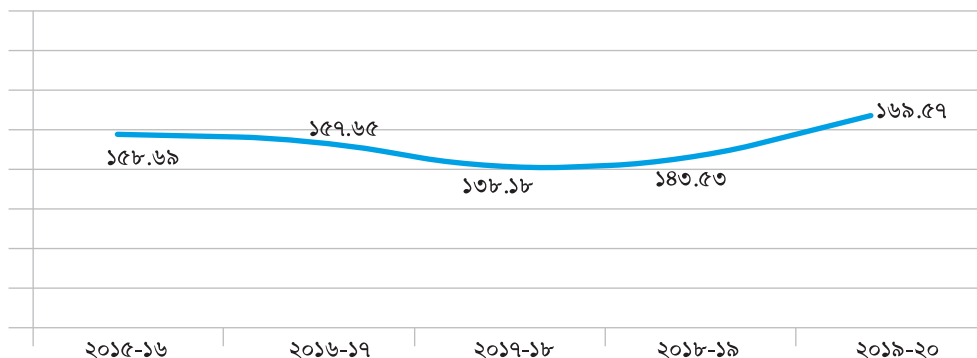
জাতীয় কোষাগারে অবদান

(সকল সংখ্যা মিলিয়ন টাকায়)

	২০১৯-২০	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	*২০১৫-১৬
কর্পোরেট আয়কর	৬৩.৪৭	৪৫.৭০	৫৩.২০	৪৫.৩৬	২৯.৯৮
অগ্রীম আয়কর (উৎস হতে কর্তন)	৭৫.৫৫	৬৩.৯১	৫৪.৭৮	৬৪.৭৩	৬৬.৮৩
ভ্যাট	৫.০৭	৭.২৯	৮.৩২	১২.২৭	৮.৬৭
আমদানী শুল্ক	২১.৫৭	২৩.৪৯	১৯.৫০	৩২.০৮	৪৫.৪৮
স্ট্যাম্প শুল্ক	০.৪৯	০.৫৮	০.৫৯	০.৫৯	৪.৪৪
লাইসেন্স ফি ইত্যাদি	৩.৪২	২.৫৬	১.৮০	২.৬২	৩.২৯
মোট টাকার পরিমাণ	১৬৯.৫৭	১৪৩.৫৩	১৩৮.১৮	১৫৭.৬৫	১৫৮.৬৯

* ৯ মাসের হিসাব

জাতীয় কোষাগারে অবদানের গ্রাফচিত্র



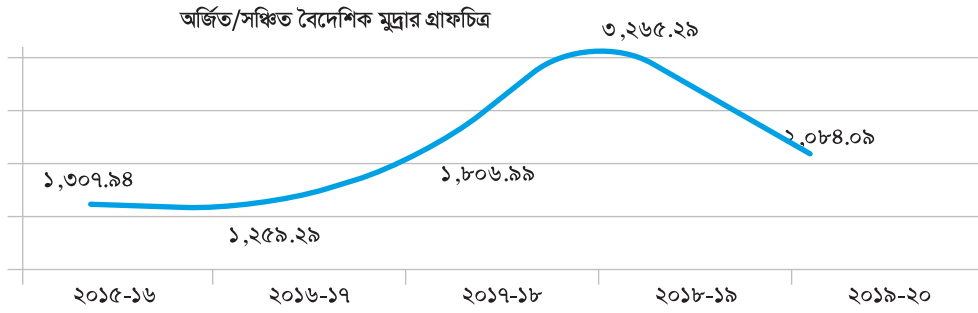


অর্জিত/সঞ্চিত বৈদেশিক মুদ্রাঃ

(সকল সংখ্যা মিলিয়ন টাকায়)

	২০১৯-২০	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	*২০১৫-১৬
মোট রপ্তানী আয়	৭,৮১৯.৯৯	৮,৭৩৬.৮১	৬,৮৫৫.০৩	৫,৫৩৯.৬০	৪,৩৬৭.৬১
বাদ: আমদানী খরচ সমূহ-					
কাঁচামাল - সুতা	৯৩১.০২	৭৮৫.৮২	৯৬৭.৪২	১,৫০৭.৭৪	২,০৯৮.৯২
তুলা	৩,৭৫৪.০৭	৩,৪২৮.৮৪	৩,১৪৯.৯৫	১,৯৯৪.৯৪	৩২১.৮৯
কাঁচামাল - ডাইস এবং কেমিক্যাল	৯৭৯.৫৬	১,১৮১.২৭	৮৫৬.২৪	৬৮৬.৫৬	৪৯৭.৪৫
খুচরা যন্ত্রাংশ	৪৯.৯০	৪৯.২৩	৫০.৮৬	৫২.০২	৪৩.৯৩
বিবিধ	২১.৩৫	২৬.৩৬	২৩.৫৫	৩৯.০৫	১৭.৬৪
নীট রপ্তানী আয় / সঞ্চয়	২,০৮৪.০৯	৩,২৬৫.২৯	১,৮০৬.৯৯	১,২৭৬.৭২	১,৩০৭.৯৪

* ৯ মাসের হিসাব

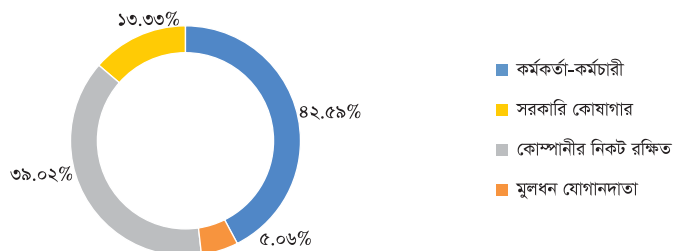


মূল্য সংযোজন বিবরণীঃ

(সকল সংখ্যা মিলিয়ন টাকায়)

বিবরণী	৩০ জুন ২০২০ টাকা	৩০ জুন ২০১৯ টাকা
অর্থের উৎসসমূহঃ		
নীট বিক্রয়	৮,১৭৬.৮২	৯,১১৮.৫২
বাদ: উপকরণ ও সেবামূল্য	(৬,২৯৪.৬০)	(৬,৯৮৩.৯৩)
যোগ: অন্যান্য আয়	১.৫৭	২.১৩
সর্বমোট টাকা	১,৮৮৩.৭৯	২,১৩৬.৭১
সংযোজিত মূল্যের প্রয়োগঃ		
কর্মকর্তা-কর্মচারী		
বেতন, মজুরী এবং অন্যান্য সুবিধাদি	৭৮৭.৯১	৭৭২.৫৯
মুনাফার অংশ ও কল্যাণ তহবিল	১৪.৩৫	১৭.৮৮
	৮০২.২৬	৮০৫.২৩
সরকারী কোষাগারঃ		
কর্পোরেট আয়কর	৬৪.৮২	৪৫.৭০
অন্যান্য সরকারী পাওনা	৩০.৫৫	৩৩.৯২
	৯৫.৩৭	৭৯.৬২
মূলধন যোগানদাতাঃ		
লভ্যাংশ	২৫১.১৮	১৬৩.৯১
কোম্পানীর নিকট রক্ষিতঃ		
অবচয়	৭৬২.৬২	৬৯৭.৪৩
অবন্টিত মুনাফা	(২৭.৬৪)	৩৯০.৫২
	৭৩৪.৯৮	১,০৮৭.৯৫
সর্বমোট টাকা	১,৮৮৩.৭৯	২,১৩৬.৭১

মূল্য সংযোজন বন্টনের চিত্র : ২০১৯-২০২০





কর্পোরেট ও আর্থিক প্রতিবেদনের কাঠামো

৩ জুন ২০১৮ তারিখে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের জারীকৃত নোটিফিকেশন নং BSEC/CMRRCD/2006-158/207/Admin/80 এর অধীনে ধারা অনুযায়ী পরিচালকবৃন্দ আর্থিক প্রতিবেদন কাঠামোর নিম্নলিখিত পরিপালন নিশ্চিত করেন :

- ক। এনভয় টেক্সটাইলস লিমিটেড-এর ব্যবস্থাপনা কর্তৃক প্রস্তুতকৃত আর্থিক হিসাব বিবরণীতে কোম্পানীর প্রকৃত আর্থিক অবস্থা, ব্যবসায়িক কার্যক্রমের ফলাফল, নগদ প্রবাহ এবং তহবিল পরিবর্তনের ফলাফল যথাযথভাবে নিরূপিত হয়েছে।
- খ। কোম্পানীর বহিসমূহ ও হিসাবাদি যথাযথভাবে রক্ষণাবেক্ষণ করা হয়েছে।
- গ। আর্থিক বিবরণী প্রণয়নে হিসাব সংরক্ষণের স্বীকৃত নীতি সমূহ যথাযথভাবে অনুসরণ করা হয়েছে এবং হিসাবের অনুমানসমূহ যথাযথ মানদণ্ডের ভিত্তিতে অনুমিত হয়েছে।
- ঘ। আর্থিক বিবরণী প্রণয়নে আন্তর্জাতিক হিসাবরক্ষণ মান, বাংলাদেশ হিসাবরক্ষণ মান, আন্তর্জাতিক আর্থিক প্রতিবেদনের মান, বাংলাদেশ আর্থিক প্রতিবেদন মানসমূহ যথাযথভাবে অনুসরণ করা হয়েছে।
- ঙ। অভ্যন্তরীণ নিরীক্ষা পদ্ধতি পরিপূর্ণভাবে বিন্যস্ত ও কার্যকরভাবে প্রয়োগ ও পর্যবেক্ষণ করা হয়েছে।
- চ। গত বছরের ব্যবসায়িক ফলাফলের সাথে এ বছরের ব্যবসায়িক ফলাফলের দৃশ্যমান তফাৎ রয়েছে এবং এর কারণ সমূহ পরিচালকদের প্রতিবেদনের ব্যবসায়িক দক্ষতা অনুচ্ছেদে বিস্তারিত ভাবে বর্ণনা করা হয়েছে।
- ছ। ২০১৯-২০ অর্থবছরে প্রদর্শিত প্রান্তিক আর্থিক ফলাফল সমূহের সাথে বাৎসরিক আর্থিক ফলাফলের উল্লেখযোগ্য অসংগতি ছিল না।
- জ। ২০১৯-২০ অর্থবছরে কোন প্রকার অসাধারণ প্রকৃতির আয় কিংবা লোকসান ছিল না।
- ঝ। ২০১৯-২০ অর্থ বছরের স্বার্থ সংশ্লিষ্ট লেনদেনসমূহ বার্ষিক হিসাব বিবরণীর ৩৮নং পদটীকায় উল্লেখ করা হয়েছে।

উল্লেখযোগ্য পরিচালন ও আর্থিক তথ্যাবলী

বিগত ৫ বছরের উল্লেখযোগ্য পরিচালন ও আর্থিক তথ্যাবলী ০৩ জুন ২০১৮ তারিখে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের জারীকৃত নোটিফিকেশন নং BSEC/CMRRCD/2006-158/207/Admin/80-এর অধীনে শর্ত (১)(৫)(xix) অনুযায়ী Key Operating & Financial Data শিরোনামে *Annexure-I* হিসেবে এ প্রতিবেদনের সাথে সংযুক্ত করা হয়েছে।

আর্থিক বিবরণীর সত্যতা বিষয়ে অঙ্গীকারঃ

৩ জুন, ২০১৮ তারিখে জারীকৃত বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং BSEC/CMRRCD/2006-158/207/Admin/80 এর ৩(৩) ধারার বিধান মতে আর্থিক বিবরণীতে উল্লেখিত তথ্যাবলীর সত্যতা নিরূপন বিষয়ে সিইও ও সিএফও কর্তৃক স্বীকৃতি প্রদানের শর্তানুসারে একটি অঙ্গীকারনামা *Annexure-II* হিসেবে এতদসঙ্গে সংযুক্ত করা হলো।

মালিকানা কাঠামো

৩০শে জুন, ২০১৯ তারিখের মালিকানা কাঠামো ৩ জুন, ২০১৮ তারিখে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশনের শর্ত (১)(৫)(xxiii) বিধান মতে *Annexure-III* এ বিবৃত করা হয়েছে।

বোর্ড সভা, পরিচালকদের উপস্থিতি ও সম্মানী

৩০শে জুন ২০২০ সমাপ্ত বছর সময়কালের মধ্যে সর্বমোট ১৪টি পরিচালকমন্ডলীর সভা অনুষ্ঠিত হয়; উক্ত সভা সমূহে পরিচালকদের উপস্থিতির সারসংক্ষেপ চিত্র *Annexure-IV* আকারে এ প্রতিবেদনের সাথে সংযুক্ত হয়েছে। পরিচালকদের সম্মানী আর্থিক প্রতিবেদনের ৩৯.০১ ও ৩৯.০২ নং পদটীকায় উল্লেখ করা হয়েছে। স্বাধীন পরিচালকদ্বয় ব্যতিত অন্য সকল পরিচালকগণ তাঁদের বোর্ড সভায় উপস্থিতি বাবদ ভাতা পরিহার করেছেন।

প্রস্তাবিত লভ্যাংশ

পরিচালকমন্ডলীর সভায় ৩০শে জুন ২০২০ সালের সমাপ্ত বছরের জন্য ৫ শতাংশ হারে নগদ লভ্যাংশ (১০ টাকা মূল্যের প্রতি শেয়ারে জন্য ০.৫০ টাকা) প্রদানের প্রস্তাব করা হয়েছে।

স্টক লভ্যাংশ

একটি সমৃদ্ধ শেয়ার প্রতি আয় অর্জনের ধারাবাহিকতা বিবেচনায় বোর্ড সভা ৩০শে জুন ২০২০ সালের সমাপ্ত বছরের জন্য কোনরূপ স্টক লভ্যাংশ ঘোষণা করেনি। এছাড়া এ অর্থ বছরের জন্য কোনরূপ অন্তর্বর্তীকালীন স্টক লভ্যাংশও ঘোষণা করা হয়নি।



মুনাফার বন্টন

কোম্পানীর উৎপাদন ক্ষমতা বৃদ্ধি ও পণ্যের ক্রমবিকাশ, বহি: উৎসের তহবিল ব্যয় বৃদ্ধির বিবেচনায় পরিচালকমণ্ডলী অর্জিত মুনাফার নিম্নরূপ বন্টনের প্রস্তাব ও পরামর্শ দেন :

ক) ৩০শে জুন ২০২০ সালের সমাপ্ত বছরের কর পরবর্তী নীট মুনাফা	২৭৪,১২২,১৩৩.০০ টাকা
খ) প্রস্তাবিত নগদ লভ্যংশ	৮৩,৮৬৭,৩৮৩.৫০ টাকা
গ) সংরক্ষিত মুনাফা	১৯০,২৫৪,৭৪৯.৫০ টাকা

পরিচালকদের পুনঃনিয়োগ

কোম্পানীর সংঘবিধির ১২৫ ধারা অনুযায়ী নিম্নোক্ত পরিচালকগণ অনুষ্ঠেয় ২৫তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন:

(১) জনাব কুতুবউদ্দীন আহমেদ, (২) মিসেস রাশিদা আহমেদ এবং (৩) মিসেস শারমিন সালাম।

সংঘবিধির ১২৬ ধারা অনুযায়ী উক্ত পরিচালকগণ পুনঃ নিয়োগের যোগ্য বিধায় তাঁরা পুনঃ নির্বাচনের আবেদন করেছেন।

৩ জুন ২০১৮ তারিখে জারীকৃত বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশনের ধারা (১)(৫)(xxiv) এর বিধান মতে নিয়োগের জন্য আত্রহী পরিচালকগণের সংক্ষিপ্ত জীবন বৃত্তান্ত *Annexure-V* হিসেবে সংযুক্ত করা হয়েছে।

নিরীক্ষকের পুনঃ নিয়োগ

২৪তম বার্ষিক সাধারণ সভায় মেসার্স মাহফিল এন্ড কোম্পানী, চার্টার্ড একাউন্টেন্টকে ১,৭৫,০০০.০০ (এক লক্ষ পঁচাত্তর হাজার) টাকা সম্মানীতে ৩০শে জুন, ২০২০ তারিখে সমাপ্ত বছরের হিসাব নিরীক্ষার জন্য কোম্পানীর নিরীক্ষক হিসেবে ২৫তম বার্ষিক সাধারণ সভার সমাপ্তির সময়কাল সময়ের জন্য নিয়োগদান করা হয়।

বর্তমান অডিটর তাঁদের দ্বিতীয় মেয়াদের নিয়োগ পূর্ণ করেছেন। স্টক এক্সচেঞ্জ রেগুলেশন ও বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশনা মোতাবেক তাঁরা পুনঃ নিয়োগযোগ্য বিধায় বর্ধিত সম্মানীতে তৃতীয় মেয়াদে নিয়োগ পেতে বর্তমান অডিটর আত্রহী প্রকাশ করেছেন।

অডিট কমিটির সুপারিশের প্রেক্ষিতে, মেসার্স মাহফিল এন্ড কোম্পানী, চার্টার্ড একাউন্টেন্ট কে ৩০শে জুন, ২০২১ তারিখে সমাপ্ত বছরের কোম্পানীর হিসাব নিরীক্ষার জন্য গত ১২ই অক্টোবর ২০২০ তারিখে অনুষ্ঠিত বোর্ড সভায় পরিচালক পর্ষদ তাঁদেরকে ২৬তম বার্ষিক সাধারণ সভার সমাপ্তির সময়কাল সময়ের জন্য কোম্পানীর নিরীক্ষক হিসেবে পুনঃ নিয়োগদানের প্রস্তাব করেছেন।

ব্যবস্থাপনা পরিচালক পুনঃ নিয়োগ

২৬শে ডিসেম্বর ২০১৫ তারিখে অনুষ্ঠিত কোম্পানীর ২০তম বার্ষিক সাধারণ সভায় জনাব আব্দুস সালাম মুর্শেদীকে কোম্পানীর ব্যবস্থাপনা পরিচালক হিসেবে ৫ বছর মেয়াদে নিয়োগদান করা হয়। অনুষ্ঠিতব্য ২৫তম বার্ষিক সাধারণ সভায় জনাব মুর্শেদীর ব্যবস্থাপনা পরিচালক হিসাবে ৫ বছর মেয়াদকাল পূর্ণ হচ্ছে। কোম্পানীর ১২ই অক্টোবর ২০২০ তারিখে অনুষ্ঠিত বোর্ড সভায় কোম্পানীর সাধারণ সভার সম্মতি সাপেক্ষে জনাব মুর্শেদীকে পরবর্তী ৫ বছর মেয়াদকালের জন্য কোম্পানীর ব্যবস্থাপনা পরিচালক হিসেবে পুনঃনিয়োগদান করা হয়েছে।

পেশাজীবী হিসাব রক্ষক/সচিব নিয়োগ

প্রাতিষ্ঠানিক সুশাসনের দক্ষতা নিশ্চিতকল্পে এ সম্পর্কিত বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের বিধানমতে ২০২০-২১ সালের জন্য একটি পেশাজীবী হিসাবরক্ষক / সচিব ফার্মকে নিয়োগদান আবশ্যিক।

এ নিরীক্ষক ফার্ম প্রাতিষ্ঠানিক সুশাসনের উপর নিরীক্ষাপূর্বক একটি প্রত্যয়নপত্র শেয়ারহোল্ডারদের নিকট পেশ করবেন।

আগামী ২০২০-২১ অর্থবছরের জন্য মেসার্স আর্টিজান, চার্টার্ড একাউন্টেন্ট ফার্মকে নিয়োগদানের জন্য অডিট কমিটির সুপারিশের প্রেক্ষিতে বোর্ড কর্তৃক প্রস্তাব করা হয়। বোর্ডের প্রস্তাব ২৫তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপন করা হবে।

ব্যবস্থাপনার বিচার ও বিশ্লেষণ

৩ জুন ২০১৮ তারিখে জারীকৃত বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং BSEC/CMRRC/2006-158/207/Admin/80 এর ৫(xxv) ধারার বিধান মতে কোম্পানীর সার্বিক অবস্থা ও ফলাফল বিশ্লেষণপূর্বক সিইও কর্তৃক স্বাক্ষরিত একটি বিবরণী *Annexure-VI* হিসেবে এতদসঙ্গে সংযুক্ত করা হলো।

সুশাসন পরিপালন সংক্রান্ত নিরীক্ষা

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর শর্ত অনুযায়ী মেসার্স আর্টিজান, চার্টার্ড একাউন্টেন্ট কে কোম্পানীর সুশাসন পরিপালন সংক্রান্ত নিরীক্ষাকার্য সম্পাদনের নিমিত্তে ৩০শে জুন ২০২০ সমাপ্ত বছরের জন্য এ সংক্রান্ত নিরীক্ষক হিসেবে নিয়োগদান করা হয়েছে। তাদের সুশাসন পরিপালন সংক্রান্ত নিরীক্ষা প্রতিবেদন *Annexure-VIII* ও *IX* আকারে সংযুক্ত হয়েছে।



প্রাতিষ্ঠানিক সুশাসন সংক্রান্ত নির্দেশনা পরিপালনের অবস্থান

৩ জুন ২০১৮ তারিখে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক জারীকৃত প্রাতিষ্ঠানিক সুশাসন সংক্রান্ত নির্দেশনা পরিপালনের অবস্থান এই প্রতিবেদনে Annexure-VII, VIII ও IX এ সংযুক্ত করা হয়েছে।

চলমান ব্যবসা

চলমান ধারাবাহিকতায় কোম্পানীর সক্ষমতা নিয়ে পরিচালকদের নিকট সন্দেহের উদ্বেক হয়নি এবং অবিরত ব্যবসা পরিচালনার জন্য প্রয়োজনীয় আর্থিক সক্ষমতা রয়েছে বলে তাঁরা যুক্তিসংগত ভাবে আশা করেন। এ কারণে চলমান ব্যবসার ভিত্তিতে আর্থিক হিসাব বিবরণী প্রস্তুত করা হয়েছে।

প্রাথমিক গণ প্রস্তাবের মাধ্যমে সংগৃহীত অর্থের ব্যয়

কোম্পানী ২০১২ সালে প্রাথমিক গণ প্রস্তাবের মাধ্যমে মূলধন সংগ্রহ করেছিল। এই সংগৃহীত মূলধন পুরোপুরি ব্যয়িত হয়েছে এবং তা যথাযথ ভাবে রিপোর্ট করা হয়েছে।

লিস্টিং পরবর্তী আর্থিক ফলাফল

কোম্পানী ২০১২ সালে স্টক এক্সচেঞ্জের সাথে লিস্টেড হয়, তৎপরবর্তী আর্থিক ফলাফল বিশ্লেষণে দেখা যায়, কোম্পানীর রাজস্ব আহরণের পরিমাণ বাৎসরিক ধারাবাহিকভাবে বৃদ্ধি পেয়েছে, অন্যদিকে মুনাফা প্রথমদিকে ধারাবাহিকভাবে বৃদ্ধি পেলেও শেষের দু'বছরে এ ধারাবাহিকতা ছিল না। এর মূল কারণ হলো, এ সময়ে জ্বালানী ও কাঁচামালের মূল্য অত্যধিক ভাবে বৃদ্ধি পাওয়ায় ফেব্রুয়ারি উৎপাদনমূল্য অনেক বেড়ে যায়। অন্যদিকে, প্রতিযোগিতামূলক বাজারে পণ্যের বিক্রয়মূল্য সে হারে বৃদ্ধি পায়নি।

সংখ্যালঘুদের স্বার্থ রক্ষা

সংখ্যালঘুদের স্বার্থ যথাযথভাবে সংরক্ষিত হয়েছে। ২০১৯-২০ অর্থবছরে বোর্ড কর্তৃক এমন কোন সিদ্ধান্ত গ্রহণ করা হয়নি যাতে সংখ্যালঘুদের স্বার্থহানীর বিষয়টি জড়িত ছিল।

অগ্রাধিকারমূলক শেয়ার ইস্যু

উৎপাদন সক্ষমতায় বিনিয়োগ ও উচ্চ মূল্যের গৃহীত ব্যাংকঋণ পরিশোধের লক্ষ্যে বোর্ড সভা ১০টাকা সমমূল্যের ৫ বছর মেয়াদী প্রেফারেন্স শেয়ার ইস্যুর মাধ্যমে ৮৭ কোটি টাকা সংগ্রহ করার সিদ্ধান্ত নিয়েছে। এ অর্থ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশনের অনুমোদন সাপেক্ষে প্রাইভেট প্লেসমেন্টের মাধ্যমে সংগ্রহ করা হবে।

উক্ত প্রেফারেন্স শেয়ার বাৎসরিক সমকিস্তিতে লভ্যাংশসহ পূর্ণ ফেরত যোগ্য হবে।

২০১৯-২০ অর্থবছরে অগ্রাধিকার শেয়ারের বিপরীতে ৩৬০ মিলিয়ন টাকার তহবিল সংগৃহীত হয়েছে।

ব্যবস্থাপনার উপলব্ধি

কোম্পানীর ব্যবস্থাপনা, কর্মকর্তা-কর্মচারী ও শ্রমিকদের অবিরাম প্রচেষ্টাকে পরিচালকমন্ডলী অত্যন্ত আন্তরিকতার সাথে স্বীকৃত দিচ্ছেন, যাদের নিরলস পরিশ্রমের ফলশ্রুতিতে উৎপাদন, বিক্রয় ও বিপণনে দেশীয় ও বৈশ্বিক নানা প্রতিঘাত স্বত্বেও ক্রমবর্ধমান উৎপাদনশীলতা বজায় রাখা ও কাংখিত মুনাফা অর্জনে কোম্পানী সক্ষম হয়েছে। শেয়ারহোল্ডারদের স্বার্থ সংরক্ষনের নিমিত্তে ব্যবস্থাপনা ও কর্মকর্তা-কর্মচারীবৃন্দের এ ধরনের সহযোগিতার ধারাবাহিক প্রচেষ্টা অব্যাহত রাখবেন বলে পরিচালকমন্ডলী আশা করেন। সর্বপোষী সর্বক্ষেত্রে কোম্পানীর প্রতি শেয়ারহোল্ডারদের অবিচল আস্থা পরিচালকমন্ডলীকে প্রেরণা যুগিয়েছে। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, স্টক এক্সচেঞ্জদায়, জাতীয় রাজস্ব বোর্ড, বিনিয়োগ বোর্ড, কোম্পানী নিবন্ধকের কার্যালয় এবং অন্যান্য সংস্থা সমূহের কাছ থেকে কোম্পানী কর্তৃক গৃহীত নানা সহযোগিতা ও অব্যাহত সমর্থন পরিচালকমন্ডলী কৃতজ্ঞতার সাথে স্বীকৃতি প্রদান করছেন।

পরিচালনা পর্ষদের পক্ষে-

স্বাক্ষরিত

কুতুবউদ্দিন আহমেদ

চেয়ারম্যান



Weaving

ANNEXURE



Annexure to the Directors' Report

Annexure I

KEY OPERATING AND FINANCIAL DATA:

figures in million BDT, except mentioned in otherwise

Particulars	2019-20	2018-19	2017-18	2016-17	*2015-16
Revenue	8,176.82	9,118.51	7,558.43	6,078.74	4,753.78
Cost of Goods sold	6,228.73	7,419.62	6,358.04	4,994.61	3,858.79
Gross Profit	1,294.09	1,698.89	1,200.39	1,084.13	894.99
Operating Expenses	276.18	290.58	282.92	271.94	210.26
Financial Expenses	718.10	725.02	534.48	444.85	271.86
Operating Income	299.82	683.29	382.99	367.34	412.87
Other Income/Loss	1.57	2.13	1.36	1.38	2.27
Net Profit before WPPF	301.39	685.42	375.35	368.71	415.14
Contribution to WPPF	14.35	32.64	17.87	17.56	19.77
Net Profit before Tax	287.04	652.78	357.48	351.16	395.37
Provision for Income Tax	12.92	98.35	27.54	29.98	41.91
Net Profit after Tax	274.12	554.43	329.94	321.18	353.46
Gross Profit %	15.83	18.63	15.88%	17.83%	18.83%
Net Profit %	3.35	6.08	4.36%	5.28%	7.44%
Numbers of Share Outstanding	167.73	167.73	164.44	156.61	152.05
Face Value in Taka	10.00	10.00	10.00	10.00	10.00
Total Assets	18,010.40	17,791.62	17,464.64	16,060.34	14,213.49
Total Fixed Assets	10,773.34	11,050.62	11,165.18	10,770.97	10,189.31
Total Current Assets	7,162.02	6,741.00	6,299.46	5,289.36	4,024.17
Total Long Term Liability	4,731.18	5,089.03	4,465.96	3,802.93	3,780.82
Total Short Term Liability	6,473.75	6,269.32	6,747.46	6,226.51	4,540.48
Shareholders' Equity	6,805.48	6,433.26	6,251.20	6,030.90	5,892.18
Current Ratio	1:1.06	1 : 1.08	1 : 0.93	1 : 0.85	1 : 0.89
Net Asset Value(NAV)-in Taka	40.57	38.35	38.01	38.51	38.75
Net Operating Cash Flows Per Share in Taka	1.56	2.58	0.24	(2.00)	1.04
Earnings Per Share (EPS) in Taka	1.63	3.31	2.01	2.05	2.32
Cash Dividend Per Share	5%	15%	10%	7%	12.00%
Stock Dividend	Nil	Nil	2%	5%	3.00%
Year end Market Price (DSE) in Taka	21.20	35.10	34.70	39.50	35.00
Year end Market Price (CSE) in Taka	21.10	34.50	33.70	39.00	35.10
Year end PE Ratio (DSE)	7.72	17.46	18.07	17.48	9.32
Year end PE Ratio (CSE)	8.05	17.60	17.28	17.26	9.34

* For 9 months period



Annexure II

Declaration by CEO and CFO

[As per condition No. 1(5)(xxvi)]

The Board of Directors
Envoy Textiles Limited
Envoy Tower : 18/E, Lake Circus Kalabagan
West Panthapath, Dhaka-1205

Subject: Declaration on Financial Statements for the year ended on 30 June 2020

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June 2018 Under Section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Envoy Textiles Limited for the year ended on 30 June 2020 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 the financial statements for the year ended on 30 June 2020 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 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 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,

Tushar Tripathi

Chief Executive Officer (CEO)
12 October 2020

Saiful Islam, FCMA

Chief Financial Officer (CFO)
12 October 2020



Annexure III

PATTERN OF SHAREHOLDING AS ON 30 JUNE 2020

Sl. No.	Name of the Shareholders	Position	Shares held	%
(i) Parent/subsidiary/ Associated companies and other related parties				
(ii) Directors and Sponsor				
1	Mr. Kutubuddin Ahmed	Chairman	1,18,13,663	7.04%
2	Mr. Abdus Salam Murshedy	Managing Director	1,25,29,091	7.47%
3	Mrs. Rashida Ahmed	Director	33,54,774	2.00%
4	Mrs. Sharmin Salam	Director	36,57,867	2.18%
5	Mr. Tanvir Ahmed	Director	41,93,367	2.50%
6	Ms. Shehrin Salam Oishee	Director	36,57,867	2.18%
7	Ms. Sumayyah Ahmed	Director	33,54,907	2.00%
8	Mr. Ishmam Salam	Director	33,99,467	2.03%
9	Envoy Towers Limited	Sponsor	1,12,89,837	6.73%
10	Pastel Apparels Limited	Sponsor	80,03,526	4.77%
11	Fontina Fashions Limited	Sponsor	77,41,603	4.62%
12	Nadia Garments Limited	Sponsor	34,57,914	2.06%
13	Mr. Syed Shahed Reza	Independent Director	0	0.00%
14	Mr. Itrat Husain FCMA, FCS	Independent Director	0	0.00%
(iii) Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their spouses and children's:				
1	Mr. Tushar Tripathi	Chief Executive Officer	19,351	0.012%
2	Mr. Saiful Islam, FCMA	Chief Financial Officer	Nil	0%
3	Mr. M Saiful Islam Chowdhury FCS	Company Secretary	Nil	0%
4	Mr. Mohammad Aatur Rahman, ACMA	Head of Internal Audit & Compliance	Nil	0%
(iv) Top 5 salaried Executives other than those Executives mentioned under(iii):				
1	Mr. Nanda Dulal Biswas	Head of Plant	Nil	0%
2	Mr. Shama Proshad Ghosh	Deputy Head of Plant	Nil	0%
3	Mr. Mohammad Majibur Rahman	Head of Spinning	Nil	0%
4	Mr. Hamimur Rahman	Head of Human Resource	Nil	0%
5	Mr. K M Rezaur Rahman	Head of Project Management	Nil	0%
(v) Shareholders Holding 10% or more (v) voting interest in the Company			Nil	



Annexure IV

THE NUMBER OF BOARD MEETINGS AND THE ATTENDANCE OF DIRECTORS DURING THE YEAR 2019-20 WERE AS FOLLOW:

Name of the Directors	Position	Meeting Held	Attendance
Mr. Kutubuddin Ahmed	Chairman	14	14
Mr. Abdus Salam Murshedy	Managing Director	14	14
Mrs. Rashida Ahmed	Director	14	8
Mrs. Sharmin Salam	Director	14	5
Mr. Tanvir Ahmed	Director	14	12
Ms. Shehrin Salam Oishee	Director	14	7
Ms. Sumayyah Ahmed	Director	14	9
Mr. Ishmam Salam	Director	14	11
Mr. Syed Shahed Reza	Independent Director	14	9
Mr. Itrat Husain FCMA, FCS	Independent Director	14	11

Annexure V

BRIEF RESUME OF THE DIRECTORS WHO SEEK RE-APPOINTMENT IN THE ENSUING 25TH AGM

Name & brief resume of the directors who seek re-appointment in the ensuing AGM	Nature of his/ her expertise in specific functional areas	Names of companies in which the person also holds the directorship	the Membership of committees of the board.
<p>Mr. Kutubuddin Ahmed is the Founder of Envoy Textiles Ltd and Chairman of the Company. He began his business career in 1984 by setting up Envoy Ltd and later he initiated Envoy Group's forward integration journey from Garments into Textiles. An Engineering Graduate from Bangladesh University of Engineering and Technology (BUET), he is focused on the organization's growth by continuously improving the products, services and processes; developing the people; deploying new technologies and working closely with the stakeholders. His primary objective is to accomplish the mission of Envoy Textiles Ltd., which is to be a one of the best world class denim Textiles manufacturers in Asia. Throughout in his business career he has performed exceptionally well and reached to these heights where he has created a benchmark. A widely known business personality, Mr. Ahmed is associated with a number of businesses, trade & sporting organizations.</p>	<p>Corporate Management & Leadership</p>	<ol style="list-style-type: none"> 01. Envoy Garments Ltd. 02. Armour Garments Ltd. 03. Nadia Garments Ltd. 04. Pastel Apparels Ltd. 05. Astras Garments Ltd. 06. Regal Garments Ltd. 07. Epoch Garments Ltd. 08. Supreme Apparels Ltd. 09. Dornick Apparels Ltd. 10. Fontina Fashions Ltd. 11. Manta Apparels Ltd. 12. Envoy Fashions Ltd. 13. Envoy Design Ltd. 14. Laundry Industries Ltd. 15. Envoy Textiles Ltd. 16. KTS Syndicate Ltd. 17. KS Builders Ltd. 18. Canopus Syndicate Ltd. 19. Oyster Syndicate Ltd. 20. Opal Properties Ltd. 21. Sheltech Holdings Ltd. (former Executive Suites) 22. Orex Net Work Ltd. 23. National System Solutions (Pvt.) Ltd. 24. OIA Global Logistics (BD.) Ltd. 25. Advanced Comtech Machines Ltd. 26. Lunar International Ltd. 27. Emerald Trading Ltd. 28. Geocentric Ltd. 	



Name & brief resume of the directors who seek re-appointment in the ensuing AGM	Nature of his/ her expertise in specific functional areas	Names of companies in which the person also holds the directorship	the Membership of committees of the board.
		29. Pinata Air International Ltd. 30. Peridot International Ltd. 31. KSM Preserves Ltd. 32. Sheltech (Pvt.) Ltd. 33. Sheltech Brokerage Ltd. 34. Sheltech Tower & Apprt. Pvt. Ltd. 35. Sheltech Cond. (Pvt.) Ltd. 36. Splendor Apts. Ltd. 37. People's Construction Ltd. 38. Starlit Apts. (Pvt.) Ltd. 39. Niloy Apartment Ltd. 40. Envoy Shipping Ltd. 41. Machinery Products Ltd. 42. Envoy LPG Products Ltd. 43. New Energy Solutions Ltd. 44. Envoy Air Services Ltd. 45. Envoy Products Ltd. 46. Envoy Packages Ltd. 47. Envoy Towers Ltd. 48. Olio Apparels Ltd. 49. Texas Dresses Ltd. 50. Regional Power Ltd. 51. Sports Media Ltd. 52. Zizzi Resturant & Bar Ltd. 53. Aero Speed International Ltd. 54. Axis Investment Ltd. 55. Sheltech Engineering Ltd. 56. Bengal Meat Processing Industries Ltd. 57. Sheltech Protection Services Ltd. 58. Emerald Engineering Ltd. 59. Speedy Int'L Ltd. 60. Sheltech Consultant (Pvt.) Ltd. 61. Sheltech Technology Ltd. 62. Sheltech Ceramics Ltd. 63. Update Aviation Ltd. 64. Sheltech Powers Ltd. 65. Tradetech Aviation Ltd. 66. Food Zone Ltd. 67. Sheltech Express Ltd. 68. Sheltech Property Management Ltd.	



Name & brief resume of the directors who seek re-appointment in the ensuing AGM	Nature of his/ her expertise in specific functional areas	Names of companies in which the person also holds the directorship	the Membership of committees of the board.
		69. Sheltech Aviation Ltd. 70. Sreemangal Tea Estate Ltd. 71. Reliable Power Sources Company Ltd.	
Mrs. Rashida Ahmed , Director of the Company, was first appointed to the Board on July 2, 2000. She is graduated from University of Dhaka & wife of Mr. Kutubuddin Ahmed, Chairman of the Company.	Corporate Management & Leadership	01. KTS Syndicate Ltd. 02. Envoy Textiles Ltd. 03. Armour Garments Ltd. 04. Envoy Fashions Ltd. 05. Manta Apparels Ltd. 06. Envoy Design Ltd. 07. Olio Apparels Ltd. 08. Pastel Apparels Ltd. 09. Texas Dresses Ltd. 10. Laundry Industries Ltd. 11. KS Builders Ltd. 12. Canopus Syndicate Ltd. 13. Oyster Syndicate Ltd. 14. Opal Properties Ltd. 15. Sheltech (Pvt.) Ltd.	Audit Committee and Nomination & Remuneration Committee
Mrs. Sharmin Salam , Director of the Company, was first appointed to the Board on July 2, 2000. She is a graduate from University of Dhaka & wife of Mr. Abdus Salam Murshedy.	Corporate Management	01. Sharmin Holdings Ltd. 02. The Premier Bank Ltd. 03. Envoy Textiles Ltd. 04. Packing Aid (Pvt.) Ltd. 05. Armour Garments Ltd. 06. Manta Apparels Ltd. 07. Envoy Fashions Ltd. 08. Envoy Design Ltd. 09. Olio Apparels Ltd. 10. Pastel Apparels Ltd. 11. Texas Dresses Ltd. 12. Laundry Industries Ltd.	Audit Committee and Nomination & Remuneration Committee

Annexure VI

MANAGEMENT'S DISCUSSION AND ANALYSIS

This report covers the operations and financial performance of the Company for the year ended 30 June 2020

Overall Review:

The textile industry was already going through a rough patch before the COVID-19 disruptions.

Increasing competition from peer countries, lack of technological innovation, poor infrastructure, rising utility costs, push for higher wages and inadequate port capacity had already slowed down the growth momentum of the industry. Now, the pandemic situation has created further disruptions on both the demand and supply chain of the textile industry.

Because of the adverse market conditions, the performance of the Company during the year has considerably declined compared to that of the previous year.

Raw material costs were remained stable globally. The industrial climate in Bangladesh has also become adverse due to regular increases in input and power costs. Moreover, country's total supply has been increased, since manufacturers are increasing their plant capacity.



USA market is getting revived now, however EU, Middle East are in depressed conditions. China have been doing good, so far but changing business acquisition in China they are shifting their unviable production capacities to adjoining countries such as Bangladesh, Vietnam, Myanmar, Pakistan etc. Bangladesh have been expecting some advantages because of cost increases in China.

Financial Performance

	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Revenue	8,176.82	9,118.52	7,558.43	6,078.74	4,753.78	5,479.12
GP	1,294.09	1,698.89	1,200.39	1,084.13	894.99	1,169.33
NP	274.12	554.43	329.94	321.18	353.46	571.24
Rate of Inflation	5.65	5.48	5.78	5.44	5.92	6.40
Restated NP- Inflation adjusted	259.46	525.62	311.92	304.61	333.71	536.88
EPS	1.63	2.01	2.05	2.32	3.94	
NAV	40.57	38.35	38.01	38.51	38.75	40.09
NOCFS	1.56	2.58	0.24	(2.00)	1.04	2.08

Revenue has been gradually improved over the last six years since initial public issue of shares, except the reporting year because of COVID 19, but net profits were not broadly satisfactory in line with increasing revenue over the years, due to ever increased costs of raw materials and price hiked in power cost.

The company across through a transition period, expended its denim fabrics production by three times and set up a Spinning plant in this period with a significant investment. A huge amount of profit absorbed against borrowing cost in each year.

The Board declared both cash and stock dividend in every year since public issue in 2012, except last two years, where Net Asset Value (NAV) per share remained fairly stable.

Peer Organization Scenario:

We have considered the data of three peer organizations like Argon Denim, Evinco Textiles and Pacific Denim for last four years as published in Dhaka Stock Exchange website, where average EPS was stood at Taka 2.23 with a comparison of Taka 2.25 average EPS of the company for the same period.

Average Net Asset Value (NAV) per share of the company for the year 2015-16 to 2019-20 is calculated at Taka 38.84 against peer organizations average of Taka 20.65 for the same period.

Risks and Concerns:

The fluctuation in the currency especially against the dollar is becoming problematic for long term booking of orders. Cotton prices are increasing regularly as are other input costs including power and logistics. Natural Gas has become so much costlier that its use as a source of power has become prohibitive.

The plan for mitigating the above risks and concerns with the company have been explained in the Directors Report under the heading 'Risks and Concerns'.

Accounting Policies and Estimations:

Fixed Assets

Property, Plant & Equipment are stated at their historical cost less accumulated depreciation. Land, building and other infrastructure measured and valued at fair value.

Depreciation is charged on reducing balance method. And in case of addition to this year, from the date of the related assets are ready for use. The fixed assets as on 30 June 2010 have been revalued at fair market value as per management decision. Increase in the carrying amount arising out of revaluation of fixed assets has been included with owners' equity. There was no disposal of asset during the period. Inventories are valued at the lower of the cost and net realizable value.



Taxation

The company is enjoyed tax holiday for 4 (four) years commencing from March 01, 2008 and expired on February 29, 2012. During the tax holiday period 40% of net profit of the company had been transferred to the tax holiday reserve. Appropriate amount of Tax provision has been made against Current and Deferred Tax liability after expiry of tax holiday period as per prevailing rate.

Segment Reporting

Segment reporting is not applicable for the company this year as the company does not meet the criteria required for segment reporting.

Revenue Recognition

Sales of Goods

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

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

Other Income and Expenses: It is recognized when received.

Foreign Exchange Transactions

Transactions in Foreign Currencies are translated into BDT at the rate of exchange ruling on date of transaction. Monetary assets and liabilities expressed 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 profit or loss and other comprehensive income.

Financial Expenses

Borrowing costs are recognized as expenses in the period in which they incurred and capitalized the same that incurred before commencement of commercial operation.

Earnings

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

Financial Instruments

Financial assets and liabilities are recognized on the balance sheet when the company has become a party to a contractual provision of the instrument:

Accounts Receivables

Accounts Receivables are stated at their nominal value and considered good. No provision has been made for doubtful debt and no amount was written off as bad.

Accounts Payables

Accounts Payables are stated at their nominal value and no bank acceptance is provided as of the reporting date.

Due to/Due from Related Parties

Due to /due from related parties are stated at nominal value.

Borrowings/Secured Loan

Interest bearing bank loans and overdrafts are recorded at the proceeds received. Finance charges are accounted for on an accrual basis.

There were no changes in accounting policies and estimations in the reporting period.



Forward Looking:

There is good scope for growth for the textile industry as Chinese exports are slowing down on account of various factors inclusive of increase in domestic demand and rising costs. This is a good opportunity of which our textile industry should make use but lack of uninterrupted power, increased power costs, higher borrowing costs are hindering the progress. However, we are making all our efforts to cope with all these challenges by continuous efforts at cost reduction, process improvements, diversification of products and improving productivity by improving efficiencies.

The financial performance has stabilized and is showing improvements including in capacity utilization. As a result, the exports selling has improved aided by increasing demand in the global Markets. The performance of the Spinning Division gradually improving. Since last year the denim fabric market is depressed but it is hoped that it should improve in the current year.

Considering the challenges that exist, in a particular pandemic situation, the financial results are not much satisfactory, but acceptable.

Cautionary Statement:

Important factors that could make a difference to the Company's operations include demand-supply conditions, fabric prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within Bangladesh and the countries with which the Company has business. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

Tushar Tripathi
Chief Executive Officer
12 October 2020



Annexure VII

Compliance of Notification No. SEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June 2018:

1. Board of Directors

1.1 Board Size:

The member of the Board of Directors as on 30 June 2020 stands at 10 (Ten) including Two Independent Directors, which are within the limits as specified by BSEC.

1.2 Independent Director:

(a) Mr. Syed Shahed Reza was first appointed to the Board as an Independent Director on 11 October 2018, accordingly approved by the Shareholders at 23rd Annual General Meeting, held on 20 December 2018 for three years term.

One of Independent Directors Mr. Sk. Bashir Ahmed was first appointed to the Board in 2013 for first 3 years term and subsequently reappointed as Independent Director for 2nd term of 3 years in accordance with BSEC notification. His appointment was expired on 11 May 2019. Being he is not eligible for reappointment according to BSEC Notification, the Board of Directors of the Company in its meeting held on 03 July 2019 appointed Mr. Itrat Husain as an Independent Director for 3 years term in recommendation of Nomination and Remuneration Committee of the Board, and accordingly approve by the members of the Company at 24th Annual General Meeting, held on 21 December 2019

(b) The Independent Directors meet the entire requirement as prescribed under the sub-clause

(ii) of the BSEC Notification under reference.

(c) As explained in Para(i)

(d) The post of Independent Director was not vacated for more than 90 days.

(e) As explained in Para(i)

1.3 Qualifications of Independent Director (ID)

(a) Mr. Syed Shahed Reza is a dynamic personality, holds a Masters degree in Public Administration from Dhaka University, has a multi-exposure in the field of diplomatic affairs, education, Social, Culture and Sports.

He was a Secretary to Bangladesh Ministry of Foreign Affairs and Ambassador to the Republic of Yemen. He was also an Ambassador to the Bangladesh Embassy in Kuwait.

He worked as National Chancellor-Bangladesh Chapter for International Association of Educations for World Peace (IAEWP), NGO UN (ECOSOC) UNDP, UNICEF, UNESCO and UNCEO.

Mr. Shahed is also an active sports organizer, he was a Secretary General of Bangladesh Olympic Association, apart from his leadership position in various prestigious sport organization.

He is actively engaged with different social and cultural activities and related organizations.

And, Mr. Itrat Husain FCMA, FCS the other Independent Director, has over 42 years of experience in Corporate Management, both in the public and private reputed companies in senior positions in Finance functions, in Manufacturing, Trading and Service sectors in Asia, Europe and Africa, including over 11 years' experience in two Multinational Companies.

Mr. Itrat Husain is a Fellow Member of the Institute of Chartered Secretaries of Bangladesh (ICSB). He was a Past President of ICSB (2007-2008).

Mr. Itrat did his Chartered Management Accountancy (CIMA) from UK in 1981 and is also a Fellow Member of the Institute of Cost and Management Accountants of Bangladesh (ICMAB)

He has attended many training programmes and workshops both at home and abroad. He is a faculty member of ICSB and also organizes and conducts training programmes regularly. He is a certified trainer of IFC.

Both of the Independent Directors hold on shares in the company.

(b) As explained in Para(i)

(c & d) No relaxation of qualification of ID is required.

1.4 Chairman of the Board and Chief Executive Officer:

The position of the Chairman of the Board and the Chief Executive Officer stand separated. The roles of the Chairman and Managing Director are clearly defined in the Articles of Association of the Company.

1.5 Directors Report to Shareholders:

The entire requirements have been fulfilled.

1.6 Meetings of the Board of Directors

The company conducts its Board meetings in line with Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

1.7 Code of Conduct for the Chairperson, other Board members and Chief Executive Officer

• Preface

This Code of Conduct for the Board of Directors including the Independent Directors of the Company (hereinafter referred to as the "Directors") aims at maintaining the highest standard of Business Conduct & Ethics for the Company, provides guidance in difficult situations involving conflict of interest and ensures compliance with all applicable laws. The Directors of the Company subscribe to the following code of Conduct adopted by the Board:

• Honest and Ethical Conduct

All the Directors should act in accordance with the highest standards of personal and professional integrity, honesty and ethics. Their conduct should be free from fraud and deception and it should help foster a culture of honesty, truthfulness, reliability, accountability and respect for human values in the Organization.

• Conflicts of Interest

All Directors should be scrupulous in avoiding situations wherein financial or personal considerations tend to compromise the exercise of professional judgments in discharging of their duties. They should not allow personal interests to conflict



with the interests of the Company. Acceptance of any undue offer, gift, money or money's worth or favor, whether for himself/ herself or for family members, from any business associates, is prohibited.

- **Confidentiality**
All Directors should respect the confidentiality of all the confidential information, regarding the Company including but not limited to technical processes, patents, business processes, product developments, R&D, expansion plans, prices of goods, raw materials and Plant & Machinery, its customers, suppliers, employees, associates etc., acquired by them in the course of their duties. No such information is to be disclosed except when it is authorized or legally required. The use of such information for his or her own advantage or profit is prohibited.
- **Protection and Proper Use of Company's Property**
All Directors shall themselves make and ensure the use of Company's Property in most efficient and economic manner. All efforts should be made to protect the Company's Property from any misappropriation, theft, carelessness etc. and the Property must be used for legitimate and official purposes only.
- **Compliance with all Applicable Laws**
All Directors must comply with all applicable Government Laws, Rules and Regulations. They should make themselves conversant with all the latest legal provisions required in discharging of their duties so that no action of them should jeopardize the Company.
- **Enhancing the Value of the Organization**
All the Directors should strive hard to adopt a customer-oriented approach and to make the Company more competitive. They should endeavor to make continuous improvements in all the business plans & processes, should foster suggestions/ take innovative steps for the betterment of the Company.
- **Disclosures**
All Directors should ensure to provide full, fair, accurate, timely and understandable disclosures in all reports and documents required to be presented to shareholders, investors and other Government Authorities.
- **Violation of the Code**
The Board of Directors will have the power to take appropriate action against anyone found violating the provisions of the Code. Where the Company has suffered a loss due to such violation, it may pursue remedies against the individual.
- **Waivers and Amendments of the Code**
The Board of Directors is committed to continuously review and update the policies and procedures. Therefore, this Code is subject to modifications, waivers and amendments as the Board may think appropriate from time to time. The Board can waive compliance with this code for any director of the Company.

(b) The code of conduct as determined by the NRC posted on the website of the company.

2. **Governance of Board of Directors of Subsidiary Company**

The Company has no subsidiary-holding company relationship.

3. **Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC)**

3.1 & 3.2 Appointment & Requirement to attend the Board Meetings.

Four separate individuals, each of different specialized discipline, have been appointed. Their roles have been defined by the Board. The CEO, CS, CFO & HIAC regularly attend the Board Meeting.

3.3 Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

Duly reported and attached with the Directors' Report as Annexure II.

4. **Board of Directors' Committee**

In order to ensuring good governance in the Company, the Board of the Directors have following sub-committees:

- (i) Audit Committee; and
- (ii) Nomination and Remuneration Committee.

5. **Audit Committee**

The Audit Committee, as a Sub-Committee of the Board, has been constituted with the Independent Director as Chairman and four other Directors. The Company Secretary acts as Secretary to the Committee. Role of the Audit Committee as per provision of the BSEC regulation, have been duly adopted by the Board. The Committee's Reports are being submitted as per the requirement of BSEC.

6. **Nomination and Remuneration Committee (NRC)**

The Nomination and Remuneration Committee, as a Sub-Committee of the Board, has been constituted with the Independent Director as Chairman and two other Directors. The Company Secretary acts as Secretary to the Committee. Role of the Nomination and Remuneration Committee as per provision of the BSEC regulation, have been duly adopted by the Board.

7. **External/Statutory Auditors**

The BSEC guidelines are being strictly followed in engaging statutory Auditors. M/s Mehfel & Co., existing statutory auditors was appointed only to audit management accounts of the company for the year ended 30 June 2020

8. **Maintaining a website by the Company**

The company has an official website linked with the website of the stock exchanges, where all detailed disclosures are available as required under the stock exchange's listing regulations.

9. **Reporting and Compliance of Corporate Governance**

9.1 Certificate on Compliance of Corporate Governance is attached with the Directors Report as Annexure IX.

9.2 A Professional Accountant to be appointed by the shareholders in 25th Annual General Meeting.

9.3 A Report on compliance of corporate governance in accordance with specified format is attached with the Directors Report as Annexure VIII.



Annexure VIII

Status of compliance with the conditions imposed By Commission's Notification No. SEC/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. 9.00)

Condition No.	Title	Compliance Status (Put \checkmark in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.0	Board of Directors			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	\checkmark		The Board of Directors of Envoy Textiles Limited is comprised of 10 Directors including 2 Independent Directors.
1.2	Independent Directors			
1.(2)(a)	All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following-At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	\checkmark		There are two Independent Directors namely: Mr. Syed Shahed Reza and Mr. Itrat Husain FCMA, FCS
1(2)(b)	For the purpose of this clause "independent director" means a director-			
1(2)(b)(i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	\checkmark		The Independent Directors have declared their compliances.
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above	\checkmark		Do
1(2)(b)(ii)	mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members			
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years	\checkmark		Do
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	\checkmark		Do



1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	√		Do
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	√		Do
(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	√		Do
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies	√		Do
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	√		Do
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	√		Do
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM)	√		Do
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the Companies Act, 1994). Explanation: For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure.	√		The independent Directors, Mr. Syed Shahed Reza and Mr. Itrat Husain FCMA, FCS are appointed as Independent Directors for the first term of three years.
1.3	Qualification of Independent Directors(ID)			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		Independent Director has all the qualifications to become the directors.



1(3)(b)	Independent director shall have following qualifications:			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	√		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	N/A		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	√		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	√		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	N/A		
1.4	Chairman of the Board and Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		The position of the Chairperson of the Board and Managing Director are filled up by different person's.
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		The Managing Director of Envoy Textiles Limited not holds the same position of any other listed company



1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		No meeting was held in absence of Chairperson of the Board.
1.5	The Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The segment-wise or product-wise performance;	√		Reference Operational Performance described in the Annual Report.
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		Refer to the Annual Report description.
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		Ref. Described in the Annual Report.
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	N/A		
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	√		
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	√		
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		Shown in the Notes of Accounts Section of the Audited Accounts.
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		



1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√		
1(5)(xiii)	A statement that 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;	√		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	√		
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1(5)(xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	√		



1(5)(xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1(5)(xxiii) (c)	Executives; and	√		
1(5)(xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1(5)(xxiv) (a)	(a) a brief resume of the director;	√		
1(5)(xxiv) (b)	nature of his or her expertise in specific functional areas; and	√		
1(5)(xxiv) (c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	√		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv) (a)	accounting policies and estimation for preparation of financial statements;	√		
1(5)(xxv) (b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
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 financial year with immediate preceding five years explaining reasons 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)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		
1(5)(xxv) (g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		



1(5)(xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		
1.6	Meetings of the Board of Directors			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1.(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1.(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, 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.	√		
2	Governance of Board of Directors of Subsidiary Company.			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	N/A		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	N/A		
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	N/A		



2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	N/A		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	N/A		
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).			
3(1)(a)	Appointment-The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or 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).	√		
3.2	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		



3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of 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 or its members;	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	Board of Directors' Committee			
4(i)	For ensuring good governance in the company, the Board shall have at least following sub-committees: Audit Committee; and	√		
4(ii)	Nomination and Remuneration Committee.	√		
5	Audit Committee			
5(1)	Responsibility to the Board of Directors.			
5(1)(a)	The company shall have an Audit Committee as a subcommittee of the Board;	√		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		The Audit Committee comprised of 4 (four) members including Mr. Itrat Husain FCMA, FCS Independent Directors as Chairman.
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		The members 4 (four) of the audit committee are the directors of the company and the chairman of the audit committee is an independent director of the company



5(2)(c)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		Mr. Itrat Husain FCMA, FCS Independent Director of the Committee
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
5(3)(C)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	√		
5(4)	Meeting of the Audit Committee			



5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	√		The Committee conduct four meetings in the 2019-2020
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5(5)	Role of Audit Committee			
5(5)(a)	The Audit Committee shall: Oversee the financial reporting process;	√		
5(5)(b)	monitor choice of accounting policies and principles;	√		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5(5)(d)	oversee hiring and performance of external auditors;	√		
5(5)(e)	hold meeting with the external or 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;	√		
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		



5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.	√		
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5(6)(a)(ii) (a)	report on conflicts of interests;	√		
5(6)(a)(ii) (b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	√		
5(6)(a)(ii) (c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	√		
5(6)(a)(ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	√		
5(6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	N/A		
5(7)	Reporting to the Shareholders and General Investors			



	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		
6	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		The Committees comprised of 3 (three) members including one Independent Director as chairman
6(2)(b)	All members of the Committee shall be non-executive directors;	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	N/A		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	√		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		



6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√		Mr. Syed Shahed Reza, Independent Director, is chairman of the Company
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	√		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√		The Committee conducted 2 (two) meetings in the years 2019-2020
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board			



6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, 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;	√		
6(5)(b)(i) (b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	√		
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;	√		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	√		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		
7	External or Statutory Auditors.			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	financial information systems design and implementation;	√		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	√		

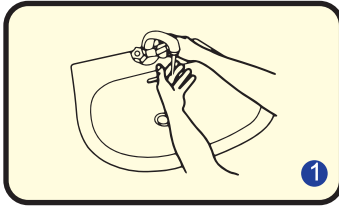


7(1)(iv)	broker-dealer services;	√		
7(1)(v)	actuarial services;	√		
7(1)(vi)	internal audit services or special audit services;	√		
7(1)(vii)	any service that the Audit Committee determines;	√		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
7(1)(ix)	Any other service that creates conflict of interest.	√		
7(2) 7(3)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8	Maintaining a website by the Company			
(1)	The company shall have an official website linked with the website of the stock exchange	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		

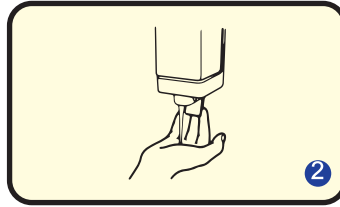


9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

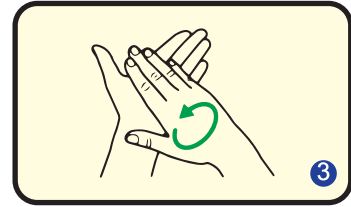
করোনা ভাইরাস প্রতিরোধে সাবান দিয়ে সঠিকভাবে হাত ধোয়ার পদ্ধতি



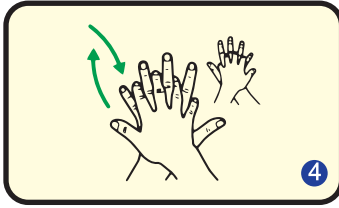
হাত পানি দিয়ে ভিজিয়ে নিন



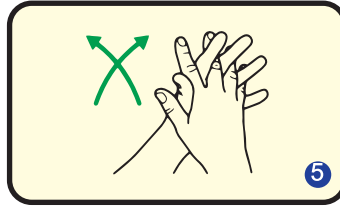
যথেষ্ট পরিমাণ সাবান দিয়ে হাতের সকল স্থানে মেখে নিন



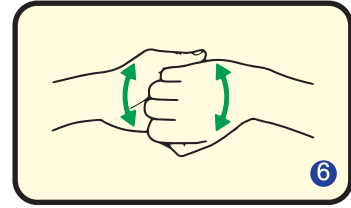
এক হাতের তালু দিয়ে অন্য তালু ঘষুন



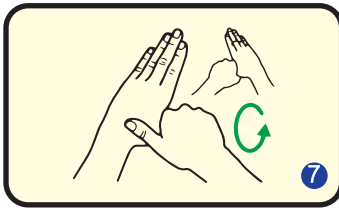
ডান হাতের তালু দিয়ে বাম হাতের উপরে রাখুন এবং ডান হাতের আঙুল বাম হাতের আঙুলের ভিতরে ঢুকিয়ে ঘষুন এবং বাম হাত দিয়ে ডান হাতের উপরে রেখে আবার ঘষুন



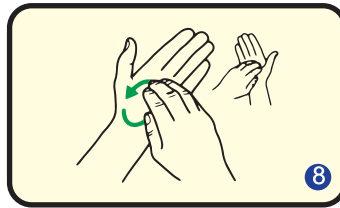
ডান হাতের তালু বাম হাতের তালুর উপর রাখুন এবং আঙুলের ভিতর আঙুল ঢুকিয়ে ঘষুন



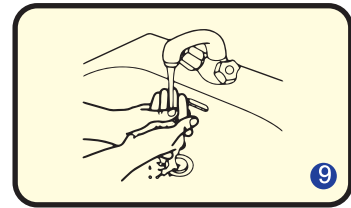
এক হাতের আঙুলের পিছন দিক অন্য হাতের তালুর উপর রেখে অন্য হাতের আঙুলের ভিতর ঢুকিয়ে ঘষুন



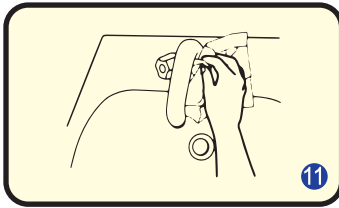
ডান হাতের তালু দিয়ে বাম বুদ্বাঙুলি চেপে ধরুন ঘুরিয়ে এবং বাম হাতের তালু দিয়ে ডান বুদ্বাঙুলি ধরুন এবং ঘষুন



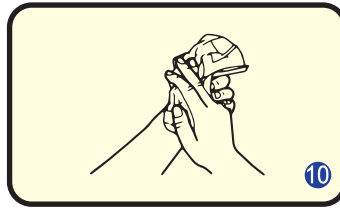
সামনে পিছনে ঘুরিয়ে একবার ডান হাতের তালু দিয়ে বাম হাতের তালু এবং পরবর্তীতে বাম হাত দিয়ে ডান হাতের তালু এবং দুই হাতের আঙুল ঢুকিয়ে ঘষুন



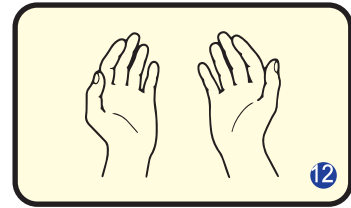
হাত ভাল করে পানি দিয়ে ধুয়ে ফেলুন



টিস্যু পেপার/তোয়ালে দিয়ে পানির কল বন্ধ করুন এবং মুছে ফেলুন



হাত টিস্যু পেপার/তোয়ালে দিয়ে মুছে ফেলুন



এখন আপনার হাত আরো নিরাপদ।

সঠিকভাবে হাত ধুলে, রোগ সংক্রমণ যাবে কমে – এনভয় টেক্সটাইলস লিমিটেড



Annexure IX

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE GUIDELINES



**REPORT TO THE SHAREHOLDERS
OF
ENVOY TEXTILES LIMITED
ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE
[Certificate as per condition No. 1(5) (xxvii)]**

We have examined the compliance status to the Corporate Governance Code by **ENVOY TEXTILES LIMITED** for the year ended on 30th June 2020. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd 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;
- 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 highly satisfactory.

Place: Dhaka
Dated: 28th October 2020


AFM Alamgir FCA
Chief Executive Partner





Aero Finishing Machine

AUDITOR'S REPORT & FINANCIAL STATEMENTS



INDEPENDENT AUDITOR’S REPORT TO THE SHAREHOLDERS’ OF ENVOY TEXTILES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Envoy Textiles Limited (the “Company”), which comprise the Statement of Financial Position as at 30 June 2020 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended 30 June 2020, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements is present fairly, in all material respects, the financial position of the Company as at 30 June 2020, and of its financial performance and its cash flows for the year then ended 30 June 2020 in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical 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 opinion.

Emphasis of Matter

We draw attention to the following notes:

- Note no. 4.14 and 26.01, the company has kept BDT. 27,810,211 as provision for 10% liability for payment in Workers Welfare Foundation Fund.
- Note no. 4.02, the last revaluation on Property, plant and equipment was performed on 2010 by an Independent valuer.
- Note no. 36.01, the company had paid BDT. 8,896,125 remuneration to the executive chairman.

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.

1. Revenue Recognition	
See note 28.00 to the financial statements	
Risk	Our response to the risk
At year end, the company reported total revenue of BDT 8,176,823,160 Revenue is measured including incentives by customers on the company’s sales. Within a number of the company’s markets, the estimation of incentives recognized based on sales made during the year is material and considered to be complex and judgmental.	We have tested the design and operating effectiveness of key controls focusing on the following: <ul style="list-style-type: none"> • Calculation of incentives; • Segregation of duties in invoice creation and modification; and • Timing of revenue recognition.

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<p>We focus on the risk of material misstatement in the recognition of revenue, as a result of both fraud and error, because revenue is material and is an important determinant of the company's profitability, which has a consequent impact on its share price performance.</p>	<p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> • Obtaining supporting documentation for sales transactions recorded at the yearend date to determine whether revenue was recognized in the current period; • Critically assessing manual journals posted to revenue to identify unusual or irregular items; and • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
<p>2. Existence and Valuation of Inventories</p>	
<p>See note 9.01 to the financial statements</p>	
<p style="text-align: center;">Risk</p>	<p style="text-align: center;">Our Response to the Risks</p>
<p>The company had inventory of BDT 3,601,822,388 at 30th June 2020, held in warehouses.</p> <p>Inventory value is measured at the lower of cost and net realizable value. As a result, the Directors apply judgment in determining the appropriate values for value in use and working progress.</p> <p>The provision of Work in Progress is calculated within the company's accounting systems using an automated process. Where local systems require manual interfaces and inputs, there is a risk that inappropriate management override and/or error may occur.</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> • evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of warehouses. • comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete; and • challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory to assess whether provisions for slow-moving/obsolete stock are valid and complete, if any
<p>3. Trade and Other Receivable</p>	
<p>See note 10.00 to the financial statements</p>	
<p style="text-align: center;">Risks</p>	<p style="text-align: center;">Our Response to the Risks</p>
<p>The company has reported BDT. 2,933,391,302 as Trade and Other receivable which includes both accounts receivable and Export Incentive receivable. The company is 100% export oriented which includes direct export through L/C and deemed export, therefore receivable confirmation is a material issue, which requires proper correspondence with debtors.</p> <p>The estimation of incentives recognized based on</p>	<p>For trade receivables and the management's estimations for trade receivables impairment provision, our key audit procedures included the following:</p> <ul style="list-style-type: none"> • For deemed exports, we performed balance confirmations; • For direct export, we performed recalculation on management provided sales reconciliation, • We analyzed the aging of trade receivables; and

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sales made during the year is material and considered to be complex and judgmental.	<ul style="list-style-type: none"> • We obtained a list of long outstanding receivables and assessed the recoverability of these through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions.
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Management’s Consideration of the Potential Impact of COVID-19	
Risk	Our Response to the Risks
<p>Management has made estimates and judgements that there was basically no adverse impact of COVID-19 on the company.</p> <p>In doing so, management have made estimates and judgements that are critical to the outcomes of these considerations with particular focus on the company’s ability to continue as a going concern for a period of at least 12 months from the date of the signing of the financial statements.</p> <p>As a result of the impact of COVID-19 on the wider financial markets we have determined management’s consideration of the potential impact of COVID-19 (including their associated estimates and judgements) to be a key audit matter.</p>	<ul style="list-style-type: none"> • We obtained management’s most recent financial results forecasts and liquidity analysis underlying their going concern assessment and tested the integrity of the forecasts, including mathematical accuracy. • We challenged management on the key assumptions included in the scenarios and we subjected management’s most recent forecasts to additional stress testing to confirm that both management and the Board have considered a balanced range of outcomes in their assessment of the potential impact of COVID-19. <p>Based on our procedures, we have not identified any matters to report with respect to both management’s and the Board’s considerations of the potential impact of COVID-19 on the current and future operations of the company.</p>

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. The Annual Report is expected to be made available to us after the date of this auditor’s report.

Our 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 identified above when it becomes available 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the company.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements of the Company 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.
- 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, and the Securities and Exchange Rules 1987 and other applicable laws and regulations, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) 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; and
- (iii) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns.

Dhaka, 12 October 2020

Md. Abdus Satter Sarkar, FCA
For and on behalf of,
Mahfel Huq & Co.
Chartered Accountants.



FINANCIAL STATEMENTS



ENVOY TEXTILES LIMITED

Statement of Financial Position

As at 30 June 2020

Particulars	Notes	Amount in Taka	
		30 June 2020	30 June 2019
ASSETS:			
Non-Current Assets		10,848,388,636	11,105,427,746
Property, Plant & Equipment	6.00	10,737,647,479	11,008,406,226
Intangible Assets	7.00	35,689,579	42,212,305
Capital Work in Progress	8.00	-	-
Machinery in Transit	9.00	75,051,578	54,809,215
Current Assets		7,162,015,698	6,686,192,736
Inventories & Stores	10.00	3,911,199,890	3,030,387,296
Trade and Others Receivable	11.00	2,933,391,302	3,414,988,864
Advance, Deposits & Prepayments	12.00	181,922,652	202,947,250
Investment	13.00	17,911,667	13,695,729
Cash and Cash Equivalents	14.00	117,590,187	24,173,597
Total Assets		18,010,404,334	17,791,620,483
EQUITY & LIABILITIES:			
Shareholders' Equity		6,805,478,206	6,433,260,624
Paid up Share Capital (Common Share)	15.00	1,677,347,670	1,677,347,670
Paid up Share Capital (Preferential Share)	16.00	360,000,000	-
Share Premium	17.00	1,120,000,000	1,120,000,000
Revaluation Surplus	18.00	1,692,199,373	1,702,501,772
Retained Earnings	19.00	1,955,931,163	1,933,411,181
Tax Holiday Reserve	20.00	-	-
Non-Current Liabilities		4,731,177,445	5,089,037,140
Long Term Loan	21.00	4,349,212,488	4,309,810,544
L/C Accepted Liability	22.00	145,930,489	502,131,417
Deferred Tax Liability	23.00	236,034,468	277,095,179
Current Liabilities		6,473,748,683	6,269,322,720
Short Term Liabilities	24.00	5,567,900,485	4,864,213,499
Long Term Loan (Current Portion)	25.00	501,588,200	645,802,885
Accounts Payable	26.00	257,126,798	577,541,698
Provision for Expenses	27.00	89,168,139	87,530,291
Provision for Tax	28.00	57,965,063	94,234,347
Total Liabilities & Shareholders' Equity		18,010,404,334	17,791,620,483
Net Assets Value (NAV) Per Share	47.00	40.57	38.35

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

Kutubuddin Ahmed
Chairman

Abdus Salam Murshedy
Managing Director

Tanvir Ahmed
Director

Barrister Shehri Salam Oishee
Director

M. Saiful Islam Chowdhury, FCS
Company Secretary

Signed as per our annexed report of even date

Dhaka, 12 October 2020

Mahfel Huq & Co.
Chartered Accountants.



FINANCIAL STATEMENTS



ENVOY TEXTILES LIMITED

Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2020

Particulars	Notes	Amount in Taka	
		30 June 2020	30 June 2019
Revenue	29.00	8,176,823,160	9,118,517,693
Less: Cost of Goods Sold	30.00	6,882,729,345	7,419,623,020
Gross Profit		1,294,093,815	1,698,894,673
Less: Operating Expenses		276,176,866	290,584,017
Administrative & General Expenses	31.00	216,460,514	223,765,807
Selling & Distribution Expenses	32.00	59,716,352	66,818,210
Profit/ (Loss) from Operation		1,017,916,948	1,408,310,656
Less: Interest Expenses	33.00	718,098,503	725,021,019
Profit/ (Loss) after Financial Expenses		299,818,445	683,289,637
Add: Other Income / (Expenses)	34.00	1,571,878	2,131,201
Profit/ (Loss) before WPPF		301,390,323	685,420,838
Less: Workers Profit Participation Fund Expenses		14,351,920	32,639,088
Profit before Tax		287,038,403	652,781,750
Less: Provision for Tax			
Current Tax	35.00	53,976,982	40,652,756
Deferred Tax	23.00	(41,060,711)	57,701,724
Profit after Tax		274,122,133	554,427,270
Earnings Per Share (EPS)	36.00	1.63	3.31
Diluted Earnings Per Share	37.00	1.63	3.31

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

Kutubuddin Ahmed
Chairman

Abdus Salam Murshedy
Managing Director

Tanvir Ahmed
Director

Barrister Shehri Salam Oishee
Director

M. Saiful Islam Chowdhury, FCS
Company Secretary

Signed as per our annexed report of even date

Dhaka, 12 October 2020

Mahfel Huq & Co.
Chartered Accountants.



FINANCIAL STATEMENTS



ENVOY TEXTILES LIMITED

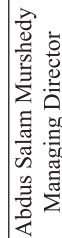
Statement of Changes in Equity
For the year ended 30 June 2020

Particulars	Share Capital		Share Premium		Revaluation		Tax Holiday Reserve	Preferential Share	Retained Earnings	Total Amount BDT
	Taka		Taka		Taka					
Balance as at 01.07.2019	1,677,347,670	-	1,120,000,000	-	1,702,501,772	-	-	-	1,933,411,181	6,433,260,624
Issued during the year	-	-	-	-	-	-	-	360,000,000	-	360,000,000
Add: Net Profit During the Period	-	-	-	-	-	-	-	-	274,122,133	274,122,133
Less: Declaration of Dividend- 2019	-	-	-	-	-	-	-	-	(251,602,151)	(251,602,151)
Depreciation on Revaluation Surplus	-	-	-	-	(10,302,400)	-	-	-	-	(10,302,400)
Balance as at 30.06.2020	1,677,347,670	-	1,120,000,000	-	1,692,199,372	-	-	360,000,000	1,955,931,163	6,805,478,206

Particulars	Share Capital		Share Premium		Revaluation		Tax Holiday Reserve	Preferential Share	Retained Earnings	Total Amount BDT
	Taka		Taka		Taka					
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	6,251,205,268
Prior Year Adjustment	-	-	-	-	-	-	-	-	(197,293,411)	(197,293,411)
Add: Issuance of Bonus Share	32,889,170	-	-	-	-	-	-	-	-	32,889,170
Add: Net Profit During the Period	-	-	-	-	-	-	-	-	554,427,270	554,427,270
Less: Declaration of Dividend- 2018	-	-	-	-	-	-	-	-	(197,335,020)	(197,335,020)
Transfer of Tax Holiday Reserve	-	-	-	-	-	(327,922,190)	-	-	327,922,190	-
Depreciation on Revaluation Surplus	-	-	-	-	(10,632,655)	-	-	-	-	(10,632,655)
Balance as at 30.06.2019	1,677,347,670	-	1,120,000,000	-	1,702,501,772	-	-	-	1,933,411,181	6,433,260,624

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


Kutubuddin Ahmed
Chairman


Abdus Salam Mursheedy
Managing Director


Tanvir Ahmed
Director


Barrister Shehriin Salam Oishee
Director



M. Saiful Islam Chowdhury, FCS
Company Secretary

Dhaka, 12 October 2020



FINANCIAL STATEMENTS



ENVOY TEXTILES LIMITED

Statement of Cash Flows

For the year Ended 30 June 2020

Particulars	Notes	Amount in Taka	
		30 June 2020	30 June 2019
Cash Flow from Operating Activities: (A)			
Collection from Turnover and Others		8,646,267,716	8,847,615,215
Exchange Fluctuation Gain		13,724,885	6,262,457
Cash Payment to Creditors		(7,321,366,852)	(7,308,329,862)
Cash Payment for Operating Expenses		(261,680,761)	(346,795,988)
Income Tax Paid and Deducted at Source		(64,819,913)	(45,705,177)
Interest Expenses		(750,132,686)	(720,993,396)
Net Cash flow from Operating Activities		261,992,389	432,053,249
Cash Flows from Investing Activities: (B)			
Acquisition of Fixed Assets		(495,610,916)	(2,150,829,034)
Investment		(4,215,938)	41,211,933
Machinery in Transit		(20,242,363)	-
Capital Work in Progress		-	1,502,520,776
Net Cash Used in Investing Activities		(520,069,217)	(607,096,325)
Cash Flows from Financing Activities: (C)			
Long Term Liabilities		(316,798,984)	368,073,910
Long Term Liabilities (Current Portion)		(144,214,683)	(141,773,169)
Short Term Liabilities		703,686,986	37,809,249
Paid up Share Capital (Preferential Share)		360,000,000	-
Payment of Cash Dividend		(251,179,900)	(163,907,565)
Net Cash flow from Financing Activities		351,493,419	100,202,425
Net Decrease in Cash [A+B+C]		93,416,591	(74,840,652)
Add: Cash at the Opening		24,173,597	99,014,247
Cash and cash equivalents at end of the Year	14.00	117,590,187	24,173,597
Net Operating Cash Flow Per Share (NOCFPS)	50.00	1.56	2.58

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

Kutubuddin Ahmed
Chairman

Abdus Salam Murshedy
Managing Director

Tanvir Ahmed
Director

Barrister Shehrin Salam Oishee
Director

M. Saiful Islam Chowdhury, FCS
Company Secretary

Dhaka, 12 October 2020



ENVOY TEXTILES LIMITED
Notes to the Financial Statements
As at and for the year ended 30 June 2020

1.00 Legal status and nature of the Company – Disclosure under IAS 1 “Presentation of Financial Statements”

a. Background of the Company

"Envoy Textiles Limited was incorporated as a private company limited by shares registered under the Companies Act, 1994, vide registration no. C-28622 (2468)/1995 dated 18 June 1995 and converted into public limited company on 25 October 2009. The Company has been listed with both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) on June 2012. The registered office of the company is located at Envoy Tower, 18/E Lake circus Kalabagan (West panthapath), Dhaka-1205.

b. Nature of the business

Envoy Textiles Limited is a manufacturer of 100% export-oriented denims fabric with advanced quality denim fabric finishing. It is the first rope denims plant in Bangladesh with highly sophisticated machineries of USA, Europe and Japan. Commercial operation of the company has been started from 01 March 2008.

c. Board of Directors

Sl.	Name	Position
1	Mr. Kutubuddin Ahmed	Chairman
2	Mr. Abdus Salam Murshedy	Managing Director
3	Mrs. Rashida Ahmed	Director
4	Mrs. Sharmin Salam	Director
5	Mr. Tanvir Ahmed	Director
6	Barrister Shehrin Salam Oishee	Director
7	Ms. Sumayyah Ahmed	Director
8	Mr. Ishmam Salam	Director
9	Mr. Syed Shahed Reza	Independent Director
10	Mr. Itrat Husain FCMA, FCS	Independent Director

2.00 Compliance with the requirements of notification of the Bangladesh Securities and Exchange Commission dated 20.06.2018, reference # BSEC/CMMRRCD/2006-158/208/ Admin/81.

- a. Notes to the financial statements marked from 3.01 to 4.07 setting out the policies are unambiguous with respect to the reporting framework on which the accounting policies are based.
- b. The accounting policies on all material areas have been stated clearly in the notes marked from 3.01 to 4.07.
- c. The accounting standards that underpin the policies adopted by the company can be found in the following places of the notes to the financial statements:



FINANCIAL STATEMENTS



SL. No.	Name of Standards	IAS/IFRS No.
1	Presentation of Financial Statements	IAS - 1
2	Inventories	IAS - 2
3	Statement of Cash Flows	IAS - 7
4	Accounting policies, Changes in accounting Estimates and Errors	IAS - 8
5	Events after the Reporting Period	IAS- 10
6	Income Taxes	IAS - 12
7	Property, Plant and Equipment	IAS - 16
8	Employees Benefits	IAS - 19
9	The Effects of Changes in Foreign Exchange Rates	IAS - 21
10	Borrowing Costs	IAS - 23
11	Related Party Disclosures	IAS - 24
12	Earnings Per Share	IAS - 33
13	Financial Instruments: Disclosures	IFRS - 7
14	Revenue from Contracts with Customers	IFRS - 15

d. The financial statements are in compliance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB).

3.00 Basis of Preparation:

3.01 Statement of Compliance

"The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standards (FRS) under this council is yet to be issued for public interest entities such as listed entities.

As the FRS is yet to be issued by FRC hence as per the provisions of the FRA (section-69), the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act, 1994. The title and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act, 1994. However, such differences are not material and in the view of management, IFRS format gives a better presentation to the shareholders."

3.02 Regulatory Compliances

As required Envoy Textiles Limited comply with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

The Income Tax Ordinance 1984;

The Income Tax Rules 1984;

The Value Added Tax and Supplementary Duty Act, 2012;

The Value Added Tax and Supplementary Duty Rules, 2016;

The Customs Act, 1969;

Bangladesh Labour Law, 2006 (Amended 2013);

Bangladesh Labor Rules, 2015;

The Securities and Exchange Ordinance, 1969;

The Securities and Exchange Rules, 1987;

Securities and Exchange Commission Act, 1993; and

Dhaka Stock Exchange (DSE) Listing Regulations, 2015.

Chittagong Stock Exchange (CSE) Listing Regulations, 2015.



3.03 Reporting Period

The financial period of the company covers from 01 July to 30 June consistently.

3.04 Components of the Financial Statements

According to the International Accounting Standards (IAS)-1 adopted by ICAB “Presentation of Financial Statements”, the complete set of Financial Statements includes the following components.

- a. Statement of Financial Position
- b. Statement of Profit or Loss and Other Comprehensive Income
- c. Statement of Changes in Equity
- d. Statement of Cash Flows
- e. Notes to the Financial Statements

4.00 Significant accounting policies and significant transactions and events.

4.01 Foreign currency transaction

Transactions in foreign currencies are translated to the functional currency (BDT) at exchange rates at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are re-translated into (BDT) at the exchange rates ruling at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into (BDT) at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

4.02 Property, Plant & Equipment

i) Recognition and measurement

Property, plant and equipment (PPE) is recognised as an asset if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets, bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

Parts of an item of property, plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.

ii) Subsequent cost

Subsequent cost of an item of property, plant and equipment is capitalised only if it is probable that future economic benefits embodied within the item will flow to the Company and its costs can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

iii) Depreciation

No depreciation has been charged on the Land and Land Development. Depreciation is charged on all other assets on reducing balance method. Depreciation has been charged on an asset when it is available for use, depreciation on addition of assets are charged during the year on average basis, irrespective of the months. The rates of depreciation are as follows:



Name of Assets	Rate of Depreciation
Factory Building	3%
Rest House, Officer and Staff Quarter	2%
Building Corporate Office	3%
Factory Equipment	10%
Furniture & Fixture	10%
Machinery	10%
ETP Cost	10%
Office Equipment	10%
Motor Vehicle	20%
Other Construction	5%
Other Assets	5%

Revaluation of Fixed Assets

The fixed assets as on 30 June 2010 have been revalued at fair market value as per decision of the board of directors. All fixed assets under land, building, machineries and equipment available on the cut of date on 30 June 2010 were revalued by an independent valuation company named Asian Surveyors Limited. The revaluation of assets has been made at present market value of land, building, machinery and equipment allowing due depreciation on building, machinery and equipment for the month which has already been expired from the estimate total useful life.

Increase in the carrying amount arising on revaluation of land, building, machinery and equipment are credited to "Revaluation Surplus" under shareholders equity.

Amount of depreciation on revaluation surplus has been credited to retained earnings by debiting revaluation surplus as per IAS-16: Property, Plant and Equipment.

iv) Derecognition

An asset is recognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset under other income in the statement of comprehensive income. There was no disposal of asset during the period.

v) Capital Work in Progress

Capital work in progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use which is measured at cost. These are transferred to the property, plant and equipment on the completion of the projects.

vi) Capitalisation of borrowing costs

As per the requirements of IAS 23 Borrowing Costs, directly attributable borrowing costs are capitalised during construction period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.



4.03 Intangible Assets

i) Recognition and measurement

Intangible assets have finite useful lives and are stated at cost less accumulated amortisation and any impairment losses. Intangible assets are recognised in accordance with IAS 38 Intangible assets. Intangible assets include cost of acquisition of computer software, intellectual property, copyright and other costs incidental to such capital expenditure.

ii) Subsequent costs

Subsequent costs are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognised in profit or loss as incurred.

iii) Amortisation

Amortisation is recognised in profit or loss on reducing basis over the estimated useful lives of intangible assets.

Intangible asset (Software) are amortised at the rate of 20%

4.04 Inventories and Stores

Inventories and stores are comprised of raw materials, raw materials in transit, packing materials, work in progress, finished goods, store items and spare & spare parts in transit. Inventories are valued at the lower of the cost and net realizable value according of International Accounting Standards (IAS-2) "Inventories".

4.05 Cash and Cash Equivalents

Cash and Cash equivalents comprise cash in hand, bank current accounts, other bank deposits free of encumbrance and having maturity date of three months or less from respective dates of deposit.

4.06 Statement of Cash Flows

Statement of Cash Flows is prepared in accordance with International Accounting Standards (IAS-7), and the cash flows from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules, 1987 and considering the provision of paragraph 19 of IAS 7 which provides that "enterprises are encouraged to report cash flows from operating activities using the direct method".

4.07 Taxation

a. Tax Holiday

The company is enjoyed tax holiday for 4 (four) years commencing from March 01, 2008, under approval of National Board of Revenue (NBR) dated on September 09, 2008. The tax-holiday period of the company expired on February 29, 2012 and due provision for Income Tax has been maintained in the profit or loss and other comprehensive income. During the tax holiday period 40% of net profit of the company is transferred to the tax holiday reserve in proportionately to invest in the areas as specified by the income Tax Ordinance 1984. Income tax provision made after expiry of tax holiday period as per rate prevailing during that period.

b. Current Tax

Current tax is the expected tax payable on the taxable income for the period ended, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate and incompliance with the Finance Act, 2020.



c. Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.08 Segment Reporting

Segment reporting is not applicable for the company this year as the company does not meet the criteria required for segment reporting specified in IFRS-8. “Operating Segment” A Segment reporting is a distinguishable component of an entity that is engaged in providing products within a particular economic environment which is subject to risk and rewards that are different from those of other segments.

4.09 Revenue Recognition

The Company recognises as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, IFRS 15 establishes a five-step model as follows:

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

Considering the five steps model, the Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods are considered as transferred when (or as) the customer obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).



4.10 **Other Income and Expenses:**

Interest income is recognized on accrual basis and all other income and expenses is recognized when it is received.

4.11 **Foreign Currency Transactions**

Foreign Currency Transaction is recognize by International Accounting Standards (IAS-21). Transactions in Foreign Currencies are translated into BDT at the rate of exchange ruling on date of transaction. Monetary assets and liabilities expressed 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 profit or loss and other comprehensive income.

4.12 **Borrowing Costs/Financial Expenses**

Borrowing costs are recognized International Accounting Standards (IAS-23) as expenses in the period in which they incurred and capitalized the same that incurred before commencement of commercial operation.

4.13 **Earnings Per Share (EPS)**

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

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

4.14 **Dividend to the equity holders**

The Company recognises a liability to make cash dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in Bangladesh, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

4.15 **Workers Profit Participation Fund (WPPF)**

The company has complied with the Labor Law 2006, amendment in 2018 and introduced workers profit participation fund (5% of profit before charging such expenses). The 5% will be distributed in a proportion of 80:10:10 to the Participatory Fund, Welfare Fund and Workers Welfare Foundation Fund respectively.

4.16 **Financial Instruments:**

Financial assets and liabilities are recognized on the balance sheet when the company has become a party to a contractual provision of the instrument:

- **Accounts Receivables**

Accounts Receivables are stated at their nominal value and considered good. No provision has been made for doubtful debt and no amount was written off as bad.

- **Accounts Payables**

Accounts Payables are stated at their nominal value and no bank acceptance is provided as of the reporting date.

- **Due to/Due from Related Parties**



Due to /due from related parties are stated at nominal value.

· Borrowings/Secured Loan

Interest bearing bank loans and overdrafts are recorded at the proceeds received. Finance charges are accounted for on an accrual basis.

4.17 Event after the Reporting Period

As per IAS - 10 "Events after the Reporting Period" events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of event can be identified:

- (a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and
- (b) Non adjusting events after the reporting period, are those that are indicative of conditions that arose after the reporting period.

4.18 Significant Event:

Revenue of the Company decreased by 10.32% over previous financial year. The revenue flow up to February 2020 were stable, but it has declined drastically from end of March 2020 due to impact of the coronavirus.

The Coronavirus pandemic struck and everything started going downwards rapidly. Most of the buyers were cancelling orders that had been produced, delaying payments and asking for discounts on already shipped goods. Others were following a wait and watch policy and refraining from placing new orders. The business operation was completely halted for around two months in final quarter of the reporting period, whereas incurred all overhead cost during this period.

Moreover, the selling price per yard of fabric declined as the buyers have taken benefit out of covid situation.

As a result, the company accrued loss for this period that first time ever after the listing.

Financial expenses were almost same as previous year, since the benefit of government declared stimulus package has not been accounted for in the reporting period.

Net operating Cash Flow has deteriorated to Taka 1.56 per share from Taka 2.58 in the previous year in result of drop off the revenue.

The company has paid for an excess amount of BDT 61.38 million against consumption of natural gas due to price hike, which is 32% more as compared to previous year.

Depreciation in absolute terms has increased by BDT 66.25 million during the year as compared to previous year because of assets accumulation for improving plant efficiency.

Other Expenses which include various manufacturing, marketing and administrative overheads has remained more or less same as that for FY 18-19 in absolute terms.

The net profit has declined by 50.56% to Taka 274.12 million, an acceptable result considering pandemic business situation.

5.00 Additional Information

5.01 Responsibility for preparation and presentation of Financial Statements

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994 and as per the provision of "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standards Committee (IASC).



5.02 Risk and uncertainties for use of estimates in preparation of financial statements

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumption that affect the report, amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain terms such as long term contracts, provision for doubtful accounts, depreciation and amortization, employees benefit plans, taxes reserves and contingencies.

5.03 Functional and presentation currency

The figures in the financial statements represent Bangladesh currency (Taka), which have been rounded off to the nearest integer.

5.04 Going Concern

The financial statements of the Company are prepared on a going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon Company's ability to continue as a going concern. The management do not see any issue with respect to going concern due to recent pandemic COVID-19. Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern, which is most unlikely though yet considering overall perspectives

5.05 Comparative and reclassification

Comparative information has been disclosed for all numerical, narrative and descriptive information where it is relevant for understanding of the current year financial statements. Comparative figures have been rearranged/reclassified wherever considered necessary, to ensure better comparability with the current year financial statements and to comply with relevant IFRSs.



FINANCIAL STATEMENTS



		Amount in Taka	
		30 June 2020	30 June 2019
6.00	Property, Plant & Equipment:		
	Tangible Assets:		
	Written Down Value of Cost Value	6.01 9,045,448,107	9,305,904,454
	Written Down Value of Revaluation Value	6.02 1,692,199,372	1,702,501,772
	Total	10,737,647,479	11,008,406,226
6.01	Tangible Assets:		
	Cost Value (A)		
	Opening Balance	12,456,165,479	10,315,464,277
	Add: Addition during the Year	493,477,876	2,140,701,202
	Total	12,949,643,355	12,456,165,479
	Accumulated Depreciation (B)		
	Opening Balance	3,150,261,026	2,462,121,710
	Add: Charged during the Year	753,934,222	688,139,316
	Total	3,904,195,248	3,150,261,026
	Written Down Value of Cost Value (A-B)	9,045,448,107	9,305,904,454
6.02	Revaluation (C)		
	Opening Balance	1,811,647,590	1,811,647,590
	Total	1,811,647,590	1,811,647,590
	Accumulated Depreciation on Revaluation Surplus (D)		
	Opening Balance	109,145,818	98,513,163
	Add: Charged during the Year	10,302,400	10,632,655
	Total	119,448,218	109,145,818
	Written Down Value of Revaluation Value (C-D)	1,692,199,372	1,702,501,772
	Fair value measurement		
	In 30 June 2010 all the property, plant and equipment of the company were revalued by the independent professional valuer Asian Surveyors Limited. Such Revaluation is ensured by sufficient regulatory standards that increased carrying amount does not differ materially from their fair value.		
	Details are shown at Schedule-A		
7.00	Intangible Assets:		
	Cost Value (E)		
	Opening Balance	80,181,449	70,053,617
	Add: Addition during the Year	2,133,040	10,127,832
	Total	82,314,489	80,181,449
	Accumulated Amortization (F)		
	Opening Balance	37,969,144	28,682,047
	Add: Charged during the Year	8,655,765	9,287,097
	Less: Adjustment during the Year	-	-
	Total	46,624,910	37,969,144
	Written Down Value of Cost Value (E-F)	35,689,579	42,212,305
	Details are shown at Schedule-B		
8.00	Capital Work-in-Progress:		
	Opening Balance	-	1,557,329,992
	Add: Addition during the Year	-	-
	Less: Transfer to Fixed Assets	-	1,557,329,992
	Total	-	-
9.00	Machinery in Transit	75,051,578	54,809,215



FINANCIAL STATEMENTS



		Amount in Taka	
		30 June 2020	30 June 2019
10.00	Inventories & Stores:		
	Inventories	10.01 3,601,822,388	2,623,451,676
	Stores	10.02 101,550,596	117,290,801
	Material in Transit:	10.03 207,826,907	289,644,818
	Total	3,911,199,890	3,030,387,296
10.01	Inventories:		
	Packaging Material	26,920,011	24,661,326
	Raw Materials-Yarn	500,846,718	193,244,736
	Raw Materials-Cotton	1,203,176,555	710,066,075
	Raw Materials-Chemicals	423,704,053	401,071,639
	Finished Goods- Fabrics	850,397,396	724,983,882
	Finished Goods- Yarn	223,016,904	199,668,884
	Work in Process	373,760,751	369,755,135
	Sub Total	3,601,822,388	2,623,451,676
10.02	Stores:		
	Spare Parts & Accessories	101,550,596	117,182,462
	Electrical Goods and Spare Parts	-	108,339
	Sub Total	101,550,596	117,290,801
10.03	Material in Transit:		
	Spare Parts	83,780,747	74,714,086
	Raw Yarn	99,471,116	75,884,907
	Raw Cotton	8,308,768	16,981,556
	Dyes & Chemical	16,266,276	122,064,269
	Total	207,826,907	289,644,818
11.00	Trade and Others Receivable:		
	Accounts Receivable	11.01 2,157,409,268	2,666,646,925
	Export Incentive Receivable	11.02 774,806,237	747,247,977
	Interest Receivable	11.03 1,175,797	1,093,964
	Total	2,933,391,302	3,414,988,865
11.01	Accounts Receivable:		
	Opening Balance	2,666,646,925	2,454,763,957
	Add: Addition during the Year	7,819,992,626	8,736,806,710
		10,486,639,551	11,191,570,667
	Less: Realized during the Year	8,329,230,283	8,524,923,742
	Closing Balance	2,157,409,268	2,666,646,925
Aging for Accounts Receivable: Details is shown at Note No-45			
11.02	Export Incentive Receivable:		
	Opening Balance	747,247,977	692,359,723
	Add: Addition during the Year	232,448,109	220,794,547
		979,696,086	913,154,269
	Less: Realized during the Year	204,889,849	165,906,293
	Closing Balance	774,806,237	747,247,977
11.03	Interest Receivable	1,175,797	1,093,964

The interest is accrued on FDR investment, the balance is calculated on the basis, from the date the bank credited interest till 30 June 2020



FINANCIAL STATEMENTS



		Amount in Taka	
		30 June 2020	30 June 2019
12.00	Advance, Deposits & Prepayments:		
	Advance	11,748,977	15,636,299
	Advance Tax and VAT	86,349,143	111,775,496
	Deposits	83,824,532	75,535,455
	Total	181,922,652	202,947,249
12.01	Advance:		
	Advance Against Salary	-	600,000
	Advance Office Rent	255,000	255,000
	Advance to Driver against Fuel	238,000	238,000
	Advance to Employees	86,320	158,820
	Advance to Suppliers	8,504,138	10,457,833
	Advance- to Department for Expenses	2,656,519	3,843,236
	Advance Against Purchase	9,000	83,410
	Sub Total	11,748,977	15,636,299
12.02	Advance Tax and VAT:		
	Advance Income Tax-Export	39,390,212	80,354,279
	Advance to Income Tax-Import	6,069,327	7,623,771
	Advance Income Tax-Incentive	14,193,800	9,269,641
	Advance Income Tax-Vehicle	1,568,000	1,445,500
	Advance Tax FDR	144,760	187,695
	Advance Tax STD/ Other Accounts	5,230	20,150
	Income Tax Paid in Advance	17,442,767	12,874,459
	Advance Payment of VAT-Import	7,535,047	-
	Sub Total	86,349,143	111,775,496
12.03	Deposits:		
	Deposit for Electricity Connection	30,664,060	30,664,060
	Deposit for Gas Connection	38,000,371	38,000,371
	Deposit for Telephone Connection	10,000	10,000
	LC Margin	1,380,608	3,642,882
	LC Margin-Machinery	12,151,351	-
	Prepaid Interest Expenses	-	1,600,000
	Security Deposits	1,618,142	1,618,142
	Sub Total	83,824,532	75,535,455
13.00	Investment:		
	Investment in Marketable Securities	-	-
	Fixed Deposit (FDR)	17,911,667	13,695,729
	Total	17,911,667	13,695,729
13.01	Investment in Marketable Securities		
	Opening Balance	-	2,849
	Less: Sale of Share	-	2,849
	Total	-	-
13.02	Fixed Deposit (FDR)		
	Opening Balance	13,695,729	13,695,729
	Add: Addition during the Year	4,215,938	-
	Total	17,911,667	13,695,729
14.00	Cash and Cash Equivalents		
	Cash in Hand	1,266,051	2,115,791
	Cash at Bank	116,324,136	22,057,806
	Total	117,590,187	24,173,597



FINANCIAL STATEMENTS



	Amount in Taka	
	30 June 2020	30 June 2019
14.01 Cash at Bank:		
Agrani Bank-Ramna	766,850	1,563
Basic Bank-3965	2,573	40,270
Brac Bank Ltd. FC Account	410,183	387,928
Brac Bank Ltd. Offshore Settlement A/C	2,265	2,699
Brac Bank Ltd. Supreme- FC	145,769	143,330
Brac Bank Ltd. Dividend- 2012	35,394	50,247
Brac Bank Ltd. Supreme-8002	29,384	29,876
Dutch Bangla Bank Ltd. ERQ. 124	6,778,649	-
Dutch Bangla Bank Ltd. SND- 842	23,864	36,380
Dutch Bangla Bank Ltd. 14502	9,694	14,010
Dutch Bangla Bank Ltd.- Dividend- 2013	3,911	1,200
HSBC Dividend- 2014	30,331	41,130
HSBC Dividend- 2015	3,286	299
HSBC ERQ- 047	36,779,938	4,985,065
Jamuna Bank FC Account	1,458,962	509,292
Jamuna Bank CD-16275	5,052	1,211,369
Midland Bank-2291	9,314	-
Mutual Trust Bank- CD- 6095	147,788	42,327
Mutual Trust Bank- FC Account	19,233	-
Premier bank-000002	3,741	43,621
Premier bank Dividend- 2016	26,473	62,263
Premier bank Dividend- 2017	32,814	54,548
Premier bank Dividend- 2018	60	42,230
Premier bank Dividend- 2019	1,025,444	-
Premier bank- STD- 017	4,919	279,837
Pubali Bank SND- 1901	45,440	45,658
Pubali Bank EFCR AC-38	40,418,789	12,280,051
Pubali Bank Ltd STD-1275	21,044	22,025
SBAC-256	10,622	4,462
Margin Account- SCB- 01	288,304	1,398,732
Shimanto Bank-1042	6,643	-
Southeast Bank-1073	7,642	10,000
Southeast Bank-EQR-670001	14,851,446	-
Margin Account HSBC- 091	6,442,546	40,749
Margin Accounts Pubali Bank	392,296	276,617
Uttara Bank Ltd. EQR-670001	6,081,276	-
Uttara Bank Ltd. CD- 3004	2,197	29
Sub Total	116,324,136	22,057,806



FINANCIAL STATEMENTS



		Amount in Taka	
		30 June 2020	30 June 2019
15.00	Authorized Capital:		
	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
	Total	4,000,000,000	4,000,000,000
	Paid up Share Capital (Common Share):		
	167,734,767 Ordinary Shares of Tk.10/= each.		
	Particulars	Taka	Taka
	Sponsors/Directors	764,538,830	764,538,830
	General Shareholders (Individual)	203,325,200	203,325,200
	General Shareholders (Institution)	708,047,970	708,047,970
	Foreign Shareholders	1,435,670	1,435,670
	Total	1,677,347,670	1,677,347,670
16.00	Paid up Share Capital (Preferential Share):		
	36,000,000 Shares of Tk. 10/= each	360,000,000	-
17.00	Share Premium:		
	40,000,000 Ordinary Shares of Tk.13/= each.	520,000,000	520,000,000
	30,000,000 Ordinary Shares of Tk.20/= each.	600,000,000	600,000,000
	Total	1,120,000,000	1,120,000,000
18.00	Revaluation Surplus		
	Opening Balance	1,702,501,772	1,713,134,427
	Less: Depreciation on Revaluation Surplus	10,302,400	10,632,655
	Closing Balance	1,692,199,373	1,702,501,772
19.00	Retained Earnings:		
	Opening Balance	1,933,411,181	1,445,690,152
	Less: Prior Year Adjustment	-	197,293,411
	Add: Profit during the Period	274,122,133	554,427,270
	Less: Final Dividend	251,602,151	197,335,020
		1,955,931,163	1,605,488,991
	Add: Transfer from Tax Holiday Reserve	-	327,922,190
	Closing Balance	1,955,931,163	1,933,411,181
20.00	Tax Holiday Reserve:		
	Opening Balance	-	327,922,190
	Less: Transfer to Retained Earnings	-	327,922,190
	Closing Balance	-	-



FINANCIAL STATEMENTS



		Amount in Taka	
		30 June 2020	30 June 2019
21.00	Secured Loan:		
	Brac Bank BDT Term Loan	-	23,461,428
	Brac Bank Ltd. Offshore Term Loan- 2	26,965,323	68,763,412
	Brac Bank Ltd. Offshore Term Loan- 3	193,989,781	346,281,026
	DBBL Term Loan	311,858,679	476,235,448
	HSBC- BDT Term Loan	1,137,267	2,843,167
	HSBC- Offshore Term Loan -3	127,734,470	230,444,414
	IDLC Finance Ltd.	199,439,258	-
	MTBL Offshore Term Loan	226,680,823	333,985,365
	Pubali Bank Ltd. Project Loan	694,873,871	939,152,112
	Southeast Bank Ltd. Term Loan	917,096,987	-
	Uttara Finance- Lease	-	498,828,941
	Series Zero Coupon Bond	291,226,428	368,105,297
	Uttara Bank- Revolving Term Loan	608,300,000	500,000,000
	Southeast Bank Ltd. Revolving Term Loan	591,100,944	-
	MTBL- Revolving Term Loan	158,808,657	150,000,000
	IIDFC Term Loan	-	371,709,935
	Total	4,349,212,488	4,309,810,544
22.00	L/C Accepted Liability:		
	HSBC Machinery UPAS	-	149,728,003
	Southeast Bank UPAS	114,537,120	-
	Pubali Bank Ltd. -UPAS- Machinery	31,393,369	352,403,414
	Total	145,930,489	502,131,417
23.00	Calculation of Deferred Tax Liability:	236,034,468	277,095,179
	Fixed Assets including Land and Land Development (WDV)	10,773,337,059	11,050,618,531
	Less: Land and Land Development	1,494,770,156	1,494,770,156
		9,278,566,903	9,555,848,375
	Less: WDV (Tax base)	6,257,406,473	8,511,884,506
		3,021,160,430	1,043,963,869
	Less: Workers Profit Participation Fund	14,351,920	32,639,088
	Taxable Temporary Difference	3,006,808,509	1,011,324,782
	Deferred Tax Liability	236,034,468	277,095,179
	Less: Opening Deferred Tax	277,095,179	219,393,455
	Deferred Tax Expenses	(41,060,711)	57,701,724
24.00	Short Term Liabilities:		
	Brac Bank- IBP	-	175,855,032
	Brac Bank Ltd.- OD- 006	40,231,400	57,853,199
	Brac Bank Ltd.- RSTL	-	400,000,000
	DBBL CC- 043	178,543,532	174,944,538
	DBBL- RSTL	299,461,174	285,000,000
	EDF - Brac Bank Ltd	-	204,538,117
	EDF - DBBL	188,813,338	80,568,322
	EDF - HSBC	383,870,468	10,113,256
	EDF - Jamuna Bank	216,193,012	129,651,457



FINANCIAL STATEMENTS



		Amount in Taka	
		30 June 2020	30 June 2019
	EDF - MTBL	134,970,141	41,280,694
	EDF - Pubali Bank Ltd.	288,401,263	114,636,942
	EDF Southeast Bank Ltd	251,711,662	-
	EDF - Uttara Bank Ltd.	325,594,285	165,915,257
	HSBC - RSTL	402,095,850	255,000,000
	HSBC- OD Account- 011	74,822,371	62,088,614
	HSBC Offshore IBP	34,478,288	168,275,042
	HSBC UPAS	371,984,838	955,317,473
	HSBC Offshore Settlelement-005	2,411,014	-
	MTBL SOD- 0084	20,047,026	30,612,548
	Premier Bank Ltd- OD- 08	98,492,444	78,652,919
	Pubali Bank Ltd. -CC-371	693,853,049	650,638,008
	Pubali Bank Ltd.- IBP	47,049,600	302,537,926
	Pubali Bank Ltd.- TOD	518,819,715	-
	Southeast Bank CC	251,890,373	-
	Shimanto Bank STL	251,062,500	-
	Standard Chartered- -IBP	-	27,287,106
	Standard Chartered- RSTL	150,000,000	149,998,000
	Standard Chartered-CC- 911-01	50,615,738	46,602,290
	Uttara Bank CC-630-31-79	292,487,404	296,846,759
	Total	5,567,900,485	4,864,213,499
25.00	Secured Loan (Current Portion):		
	Brac Bank Ltd. Offshore Term Loan- 2	13,482,662	30,561,517
	Brac Bank Ltd. Offshore Term Loan- 3	96,994,891	153,902,678
	HSBC- Offshore Term Loan -3	63,867,235	115,222,207
	Pubali Bank Ltd. Project Loan	173,718,468	234,788,028
	DBBL Term Loan	77,964,670	-
	MTBL- Offshore Term Loan	75,560,274	111,328,455
	Total	501,588,200	645,802,885
26.00	Accounts Payable:		
	Trade payable	257,126,797	241,564,682
	LC Accepted Liability	-	335,977,016
	Total	257,126,798	577,541,698
	Aging: Credit Available up to 4 Months.		
26.01	Trade Payable		
	Opening Balance	241,564,682	650,082,956
	Add: Purchase during the Year	5,707,347,410	5,448,646,542
		5,948,912,092	6,098,729,498
	Less: Payment during the Year	5,691,785,295	5,857,164,816
	Closing Balance	257,126,797	241,564,682



FINANCIAL STATEMENTS



		Amount in Taka	
		30 June 2020	30 June 2019
26.02	LC Accepted Liability:		
	Standard Chartered Bank- UPAS	-	335,977,016
	Sub Total	-	335,977,016
27.00	Provision for Expenses:		
	This consists of as follows:		
	Liabilities for Expenses	27.01 57,612,994	40,834,307
	Liabilities for Other Finance	27.02 22,037,563	37,600,652
	Unclaimed Dividend	27.03 9,517,583	9,095,333
		89,168,139	87,530,291
27.01	Liabilities for Expenses:		
	Gas Bill Payable	22,976,867	13,966,088
	Audit Fees Payable	230,000	195,500
	Provident Fund Payable	6,595,916	-
	Liability for WPPF	27,810,211	26,672,719
	Total	57,612,994	40,834,307
27.02	Liabilities for Other Finance:		
	Interest Payable	-	32,034,182
	Advance against Sales	20,707,682	4,476,088
	Others Payable	369,500	130,000
	Deposit against IPO Subscription	960,381	960,381
	Total	22,037,563	37,600,652
27.03	Unclaimed Dividend:		
	Unclaimed Dividend- 2011	124,171	124,171
	Unclaimed Dividend- 2012	1,636,708	1,650,208
	Unclaimed Dividend- 2013	1,698,956	1,804,936
	Unclaimed Dividend- 2014	1,767,264	1,840,061
	Unclaimed Dividend- 2015	1,600,547	1,722,685
	Unclaimed Dividend- 2016	582,877	692,085
	Unclaimed Dividend- 2017	576,278	630,381
	Unclaimed Dividend- 2018	520,896	630,805
	Unclaimed Dividend- 2019	1,009,885	-
	Total	9,517,583	9,095,333
28.00	Provision for Tax:		
	Opening Balance	94,234,347	53,581,591
	Add: Addition during the Year	35.00 53,976,982	40,652,756
		148,211,329	94,234,347
	Less: Assessment cleared up to 2018-19	90,246,266	-
	Closing Balance	57,965,063	94,234,347
	This is litigation regarding current tax which has highly possible to win case no: 596, dated 23.04.2019		
29.00	Revenue:		
	Export Sale of Fabrics	6,641,374,556	7,359,818,218
	Export Sale of Cotton Yarn	1,079,590,054	1,211,725,895
	Export Sale of Dyed Yarn	99,028,016	165,262,598
	Foreign Exchange Fluctuation Gain	13,724,885	6,262,457
	Weaving & Finishing	30,884,917	132,575,091
	B-Grade Sales	47,133,489	15,360,190
	Sample sales	1,079,006	123,692
	Stock Fabric Sales	31,560,127	6,595,007
	Export Incentive	32,448,109	220,794,547
	Total	8,176,823,160	9,118,517,693



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		Amount in Taka	
		30 June 2020	30 June 2019
30.00	Cost of Goods Sold		
	Opening Stock of Raw Material	1,329,043,776	1,450,854,445
	a) Yarn	193,244,736	334,617,589
	b) Cotton	710,066,075	766,492,585
	c) Chemical	401,071,639	333,949,746
	d) Packaging Materials	24,661,326	15,794,526
	Add: Purchase During the Year	5,707,347,410	5,448,646,543
	a) Yarn	931,014,337	785,818,056
	b) Cotton	3,754,070,812	3,428,844,789
	c) Chemical	979,561,313	1,181,267,379
	d) Packaging Materials	42,700,948	52,716,319
	Raw Material Available for Use	7,036,391,186	6,899,500,988
	Less: Closing Stock of Raw Material	2,154,647,337	1,329,043,776
	a) Yarn	500,846,718	193,244,736
	b) Cotton	1,203,176,555	710,066,075
	c) Chemical	423,704,053	401,071,639
	d) Packaging Materials	26,920,011	24,661,326
	Direct Material Consumed	4,881,743,849	5,570,457,212
	a) Yarn	623,412,355	927,190,908
	b) Cotton	3,260,960,332	3,485,271,299
	c) Chemical	956,928,899	1,114,145,486
	d) Packaging Materials	40,442,263	43,849,519
	Add: Direct Labour/ Wages	409,499,310	383,640,945
	Prime Cost	5,291,243,159	5,954,098,157
	Manufacturing Overhead		
	Total Factory Overhead	1,744,253,336	1,658,507,564
	Cost of production	7,035,496,495	7,612,605,721
	Add: Opening Work in Process	369,755,135	370,058,352
	Less: Closing Work in Process	373,760,751	369,755,135
	Cost of Goods Manufactured	7,031,490,879	7,612,908,938
	Add: Opening Stock of Finished Goods	924,652,766	731,366,848
	Less: Closing Stock of Finished Goods	1,073,414,300	924,652,766
	Total Cost of Goods Sold	6,882,729,345	7,419,623,020
30.01	Factory Overhead:		
	Salary, Allowance and Bonus	218,102,356	198,557,253
	C & F expenses	8,343,221	6,518,780
	Chiller Maintenance	254,000	253,110
	Conveyance-factory	99,840	230,575
	Electricity Expenses	400,294,162	432,703,884
	Entertainment	2,978,759	2,591,406
	Fuel, Oil & Lubricant	5,636,688	5,830,063
	Gas Bill	253,210,474	191,827,139
	Iftary Expenses	1,492,151	468,568
	Fuel for Machinery	3,646,338	4,366,797
	Insurance Premium	3,866,823	7,073,027
	Lab expenses	1,347,494	1,600,632
	Medical Expenses	-	2,814,669
	Medicine	-	491,297
	Miscellaneous Expenses-Agro Project	208,390	313,491
	Employees Other Benefit	1,909,634	2,443,783
	Overtime-Production	6,747,969	28,027,809
	Painting Expenses	691,755	976,776
	Repair & Maintenance Generator	13,371,436	13,272,850
	Spare Parts & Machine Maintenance	36,531,751	35,958,245



FINANCIAL STATEMENTS



	Amount in Taka	
	30 June 2020	30 June 2019
Factory Maintenance	6,086,299	6,381,567
Fire Fighting Maintenance	1,086,695	999,382
Sample washing and making cost	2,748,669	2,211,615
Security and Protection-Factory	9,013,744	8,924,927
Site Maintenance	4,391,303	4,581,302
Stationery-Factory	1,099,091	1,283,943
Telephone, Mobile and Internet	3,876,187	3,324,207
Test and Examination	1,929,164	1,919,078
Travelling & Conveyance	1,878,208	4,589,382
Uniform	324,239	1,475,791
Vehicle Maintenance Expenses	1,437,097	1,436,809
Worker Free Tiffin	8,831,758	11,350,095
Worker Free Fooding	12,381,893	9,536,734
Depreciation	730,435,748	664,172,578
Total	1,744,253,336	1,658,507,564
31.00 Administrative & General Expenses:		
Salary, Allowance and Bonus	59,566,491	59,117,048
Audit & Others Professional fees	230,000	747,457
Annual Subscription	322,299	485,344
Bank Charges and Commission	21,416,322	26,047,152
Bank Excise Duty	3,877,692	1,742,811
BTMA Certification Expenses	995,890	888,250
Directors' Remuneration	31,602,550	34,262,758
Directors' Meeting Attendance fees	300,000	130,000
CSR Expenses	4,195,278	6,112,394
Electricity	3,705,618	2,230,158
Entertainment Expenses	1,826,910	1,808,903
Fuel Expenses	3,529,397	4,028,316
Insurance Premium	2,010,009	1,881,577
Software Maintenance	2,335,210	2,336,250
License and Renewal fees	3,417,805	2,555,647
Maternity Leave Benefit	-	101,191
Medical Bill- HO	1,798,348	1,849,813
Office Maintenance	2,655,826	2,448,380
Employees Other Benefit	567,455	281,570
Share Management Expenses	736,073	-
Contribution to Provident Fund	18,967,867	22,968,967
Refreshment	738,651	895,138
Printing & Stationery	513,188	603,641
Rent Rate & Taxes	-	1,045,727
Repair & Maintenance	449,570	378,958
Security and Protection	750,000	278,888
Employee Retirement Benefit	5,139,867	4,526,982
Stamp, Postage & Courier	1,885,489	1,857,607
Sports & Recreation	1,055,947	1,011,020
Subsidy Fooding for Head Office	596,186	501,481
Share Listing Fees	1,200,000	-
Surveillance Fees	138,000	128,400
Vehicle Maintenance Expenses	1,160,411	1,608,228
Vehicle Tracking-	-	176,400
Visa Processing Fees	273,982	265,948
VAT Deposit	235,520	177,000
Travelling & Conveyance Expenses	1,651,482	1,674,883
AGM Expenses	284,000	271,676
Telephone and Mobile Bill	3,042,930	2,730,498



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		Amount in Taka	
		30 June 2020	30 June 2019
	Training & Development Expenses	58,505	78,821
	Wasa Bill	1,075,507	276,689
	Amortization	8,655,765	9,287,097
	Depreciation	23,498,474	23,966,738
	Total	216,460,514	223,765,807
32.00	Selling & Distribution Expenses:		
	Salary, Allowance and Bonus	43,425,700	46,018,990
	Advertisement	355,929	309,959
	Business Promotion	2,906,861	2,721,437
	Conveyance Marketing	516,304	529,675
	Entertainment	500,312	665,431
	Freight Charge- Direct Export	2,514,882	7,006,088
	Fuel Expenses - MKt	1,345,636	1,411,576
	Expenses of Chittagong Branch	-	55,873
	Office Maintenance-Hongkong	5,939,000	5,873,500
	Vehicle Maintenance	716,830	477,674
	Sample Production Expenses	1,494,899	1,748,007
	Total	59,716,352	66,818,210
33.00	Interest Expenses:		
	Interest on Brac Bank Offshore Term Loan-2	3,253,672	10,772,820
	Interest on Brac Bank Offshore Term Loan-3	18,366,634	45,869,362
	Interest on Brac Bank BDT Term Loan	429,006	4,402,744
	Interest on DBBL Term Loan	37,544,982	18,354,763
	Interest on HSBC BDT Term Loan	149,650	584,088
	Interest on HSBC Offshore Term Loan- 1	-	1,119,029
	Interest on HSBC Offshore Term Loan- 2	-	37,423
	Interest on HSBC Offshore Term Loan- 3	17,279,274	31,519,877
	Interest on MTBL Offshore Term Loan	28,057,155	42,604,474
	Interest on Pubali Bank Ltd.- Term Loan	105,315,124	115,979,928
	Interest on Southeast Bank Ltd.- Term Loan	75,518,467	-
	Interest on - Uttara Finance Term Loan	-	37,061,370
	Interest on Series JCB	35,121,130	30,022,517
	Interest on Offshore- IBP	11,761,939	12,166,813
	Interest on Brac Bank Ltd- OD	4,645,107	5,147,940
	Interest on Brac Bank Ltd- STL	6,019,900	17,979,673
	Interest on DBBL-CC	20,220,713	6,366,280
	Interest on DBBL STL	31,766,612	35,397,926
	Interest on Brac Bank - EDF	-	12,003,662
	Interest on EDF-DBBL	6,035,511	-
	Interest on HSBC- EDF	2,313,886	2,040,392
	Interest on JBL- EDF	9,015,488	4,889,535
	Interest on -Pubali Bank Ltd- EDF	11,811,413	14,533,714
	Interest on -Southeast Bank- EDF	1,809,730	-
	Interest on -Uttara Bank- EDF	9,094,564	-
	Interest on HSBC- OD	11,700,812	7,131,241
	Interest on HSBC- RL	23,976,558	17,526,947
	Interest on IIDFC	4,893,196	26,510,787
	Interest on MTBL- SOD	2,699,378	3,808,205
	Interest on MTBL-STL	14,231,202	14,446,099
	Interest on -Pubali Bank Ltd- CC-37	55,835,507	60,120,986
	Interest on -Pubali Bank Ltd- STL	11,295,975	1,069,569
	Interest on -Premier Bank Ltd- CC	11,156,130	10,080,505
	Interest on SCB- CC	4,088,373	3,997,389
	Interest on SCB- RL	13,577,574	19,487,679



FINANCIAL STATEMENTS



		Amount in Taka	
		30 June 2020	30 June 2019
	Interest on Shimanto Bank-STL	1,062,500	-
	Interest on Southeast Bank-STL	9,100,944	-
	Interest on Southeast Bank-CC	16,851,225	-
	Interest on HSBC- UPAS	10,066,865	26,795,144
	Interest on PBL- UPAS	4,497,907	10,183,454
	Interest on SCB- UPAS	6,355,007	14,146,768
	Interest on Uttara Bank- CC	23,249,332	9,968,910
	Interest on Uttara Bank- STL	57,930,060	50,893,005
	Total	718,098,503	725,021,019
34.00	Other Income and Expenses:		
	Interest Income	1,571,878	2,134,050
	Loss on Investment in Marketable Securities	-	2,849
		1,571,878	2,131,201
35.00	Current Tax Calculation:		
	Net Profit before Tax	287,038,403	652,781,750
	Add: Accounting Based:		
	Depreciation & Amortization	762,589,987	697,426,413
	Sample Production Expenses	1,494,899	1,748,007
	Entertainment	5,305,981	5,065,740
	Workers Profit Participation Fund	14,351,920	32,639,088
		783,742,787	736,879,248
		1,070,781,190	1,389,660,998
	Less: Depreciation & Amortization as per Tax based		
	Depreciation & Amortization as per Tax base	1,255,318,791	1,229,438,197
	Sample Production Expenses	1,494,899	1,748,007
	Entertainment	5,305,981	5,065,740
	Workers Profit Participation Fund Expenses	274,122,133	554,427,270
		1,536,241,804	1,790,679,214
	Taxable Income	(465,460,614)	(401,018,216)
	Less: Export Incentive	232,448,109	220,794,547
		(233,012,505)	(180,223,670)
	Less: Other Income	1,571,878	2,131,201
		(231,440,627)	(182,354,871)
	A) Operating Tax @ 15%	(69,819,092)	(60,152,732)
	B) Tax on Other Income @ 25%	392,970	532,800
	C) Tax on Incentive @10% & 5%	14,193,800	9,269,641
	Total Current Tax	(55,232,323)	(50,350,291)
	Minimum Tax		
	A) Source tax on Export bill Collection	39,390,212	30,850,315
	B) Tax on Other Income @ 25%	392,970	532,800
	C) Tax on Incentive @10% & 5%	14,193,800	9,269,641
		53,976,982	40,652,756
36.00	Basic Earnings Per Share (EPS):		
	Profit After Tax	274,122,133	554,427,270
	Number of Shares Outstanding	167,734,767	167,734,767
	Earnings Per Share (EPS)	1.63	3.31
37.00	Diluted Earnings Per Share	1.63	3.31



FINANCIAL STATEMENTS



38.00 Related party Disclosure under IAS-24:

38.01 During the reporting period from July 01, 2019 to June 30, 2020 following transactions incurred with related party as per IAS-24

Para- 21 in the form of Sales of Finished goods against export LC

Particulars	Opening	Addition	Adjustment/Realized	Balance
M/S Envoy Fashion Ltd.	62,690,841	26,172,076	88,862,917	-
M/S Epoch Garments Ltd.	21,098,226	74,524,184	71,254,881	24,367,529
M/s Manta Apparels Ltd.	972,706	86,035,583	81,368,228	5,640,061
M/S Olio Apparels Ltd.	18,013,690	29,616,427	47,630,117	-
Total-	102,775,463	216,348,270	289,116,143	30,007,590

38.02 Related party disclosure as per IAS-24 Para- 17 regarding Key management personnel compensation:

(a) Short-Term Employee Benefits;	Monthly Salary
	Two Festival Bonus
	Medical assistance for own and Family.
	Earn Leave encashment as per existing Labor Law
(b) Post-Employment Benefits;	Profit participation as company act- 1994
	Contributory Provident Fund @ 8.33% of Basic Salary.
(c) Other Long-Term Benefits;	Long term service benefit.
	Group Insurance Policy with Fareast Life Insurance Co.
(d) Termination Benefits;	As per Existing Labor Law
(e) Share-Based Payment;	Nil

39.00 Disclosure of Directors Remuneration and Meeting attendance fees under Para 4 of Schedule XI part II of the Companies Act. 1994:

39.01 Directors have received the following remuneration from the company during the year ended 30 June 2020

Name	Position	No. of Month	2020 (Tk.)	No. of Month	2019 (Tk.)
Mr. Kutubuddin Ahmed	Executive Chairman	12	8,896,125	12	10,005,000
Mr. Abdus Salam Murshedy	Managing Director	12	8,896,125	12	10,005,000
Mrs. Rashida Ahmed	Director	12	1,583,750	12	1,667,500
Mrs. Sharmin Salam	Director	12	1,583,750	12	1,667,500
Mr. Tanvir Ahmed	Director	12	3,420,900	12	3,457,879
Ms. Shehrin Salam Oishee	Director	12	3,420,900	12	3,457,879
Ms. Sumayyah Ahmed	Director	12	1,900,500	12	2,001,000
Mr. Ishmam Salam	Director	12	1,900,500	12	2,001,000
Total			31,602,550		34,262,758

39.02 Independent Directors have received the following meeting attendance fees during the Year ended 30 June 2020

Name	Position	No. of Month	2020 (Tk.)	No. of Month	2019 (Tk.)
Mr. Abul Kalam Azad, FCA	Independent Director	-	-	8	40,000
Mr. Sk. Bashir Ahmed	Independent Director	-	-	12	60,000
Mr. Syed Shahed Reza	Independent Director	11	100,000	6	30,000
Mr. Itrat Husain FCMA, FCS	Independent Director	15	145,000	-	-
Total			245,000		130,000

40.00 Disclosures under Para 3 of schedule XI Para II of the Companies Act. 1994.

Salary Range (Monthly)	Office & Staff		Worker	Total Employee
	Head Office	Factory		
Below 6,060	Nil	Nil	Nil	Nil
Above 6,060	103	324	2,469	2,896

41.00 Disclosures under Para 6 of schedule XI part II of the Companies Act. 1994.

Amount Paid audit Expenses to Auditors

Name	Purpose	2020 (Tk.)	2019 (Tk.)
Ahmad & Akhtar, Chartered Accountants	Audit Fee	-	201,250
ARTISAN, Chartered Accountants	Audit Fee	23,000	28,750
ITS Labtest Bangladesh Ltd.	Audit Fee	-	193,635
Bureau Veritas Consumer Products Services (BD) Ltd.	Audit Fee	-	117,432
TUV RHEINLAND Bangladesh PVT. Limited	Audit Fee	-	212,140
Mahfel Huq & Co. Chartered Accountants	Audit Fee	172,500	-
Total-		195,500	753,207



FINANCIAL STATEMENTS



42.00 Disclosures under Para 8 of schedule XI part II of the Companies Act. 1994.
Transaction in Foreign Currency

Particulars	in (Tk.)
CIF value of import:	
1. Raw Materials	
(a) Yarn	931,014,337
(b) Cotton	3,754,070,812
(c) Dyes & Chemicals	979,561,313
2. Accessories / Spare Parts	49,903,187
3. Capital Machinery	460,427,716
Total CIF value of import:	6,174,977,365
FOB value of Export	7,819,992,626

43.00 Disclosures under Para 8 of schedule XI part II of the Companies Act. 1994.
Particulars of Foreign Shareholders

Name	No of Shareholders	%	Value of Shares
Foreign Individuals	110,286	0.07%	1,102,860
Total	110,286	0.07%	1,102,860

44.00 Disclosures under Para 8 of schedule XI part II of the Companies Act. 1994.
Imported and local raw materials and spare parts consumed during the year ended 30 June,2020

Raw materials:	Qty. (Ton)	Amount in BDT	% on Consumption
1. Yarns	3513 (Ton)	623,412,355	12.64%
2. Cotton	19296 (Ton)	3,260,960,332	66.12%
2. Dyes & Chemicals	4530 (Ton)	956,928,899	19.40%
3. Packaging Materials	Various	40,442,263	0.82%
4. Spare Parts	Various	49,903,187	1.01%
		4,931,647,036	100%

45.00 Disclosures under Para 7 of schedule XI part II of the Companies Act. 1994.
Capacity Utilization (Period ended 01 July 2019 to 30th June- 2020)

Description of Products	Installed Capacity (Yards)		Actual Production (Yards)		Capacity Utilization	
	June-20	June-19	June-20	June-19	June-20	June-19
Denim Fabrics Unit-1	24,000,000	24,000,000	17,553,454	20,565,920	73.14%	85.69%
Denim Fabrics Unit-2	28,000,000	28,000,000	19,794,320	24,142,601	70.69%	86.22%
Spinning Unit (in KG)	22,000,000	22,000,000	19,369,308	19,585,307	88.04%	89.02%

46.00 Aging of Account Receivable under Part I of Schedule XI of the Companies Act, 1994

Particulars	Amount 2020	%	Amount 2019	%
Within the Credit cycle up to 4 Months	1,564,119,024	72.50%	2,584,628,310	96.92%
From 4 to 6 Months	430,219,554	19.94%	74,767,368	2.80%
From 6 to 8 Months	112,688,816	5.22%	3,430,761	0.13%
Above 8 Months	50,381,874	2.34%	3,820,485	0.14%
Total-	2,157,409,268	100%	2,666,646,925	100%

47.00 Net Asset Value (NAV) Per Share:

	Amount in Taka	
	30 June 2020	30 June 2019
Total Assets	18,010,404,334	17,791,620,483
Less: Total Liabilities	11,204,926,128	11,358,359,859
A. Net Assets Value	6,805,478,206	6,433,260,624
B. Total Number of Share Outstanding	167,734,767	167,734,767
Net Asset Value (NAV) Per Share (A/B):	40.57	38.35



FINANCIAL STATEMENTS



43.00 Income Tax Assessment Status:

Acct. Year	Income Year	Assessment Year	Provision for Income Tax	Liabilities as per Asst. Order	Advance Income Tax Paid	Remarks
30-Sep-11	2011-12	2012-13	130,490	1,371,420	3,698,280	Assessment Complete
30-Sep-12	2012-13	2013-14	27,265,552	32,657,745	28,165,703	Assessment Complete
30-Sep-13	2013-14	2014-15	52,514,926	23,795,943	39,439,435	Assessment Complete
30-Sep-14	2014-15	2015-16	28,920,085	30,126,031	29,136,448	Assessment Complete
30-Sep-15	2015-16	2016-17	65,803,788	30,373,069	30,373,069	Assessment Complete
30-Jun-16	2015-16	2016-17	41,912,126	35,092,548	35,092,548	Assessment Complete
30-Jun-17	2016-17	2017-18	29,979,520	44,970,415	45,356,147	Assessment Complete
30-Jun-18	2017-18	2018-19	98,354,480	49,514,803	53,195,860	Refund Appeal
30-Jun-19	2018-19	2019-20	98354480.1	41,235,667	45,705,177	Assessment Complete
30-Jun-20	2019-20	2020-21	12,916,270	N/A	57,284,866	N/A

44.00 Information relating to Quantity of Purchase, Production, Sale of Stock (Major Items only):

a) Raw Materials:

Particulars	Opening Stock on 01.07.2019	Purchase	Total	Consumption	Closing Stock on 30.06.2020	Unit
Yarn	1,169,006	5,246,629	6,415,635	3,513,172	2,902,464	KG
Cotton	3,967,733	22,213,437	26,181,169	19,295,623	6,885,546	KG
Dyes & Chemical	1,558,064	4,636,977	6,195,041	4,529,841	1,665,200	KG

b) Sales:

Particulars	Opening Stock on 01.07.2019	Production	Available for Sale	Closing Stock on 30.06.2020	Sales During the Year	Unit
Finished Fabrics	4,257,631	37,347,774	41,605,405	4,516,887	37,088,518	Yards
Spinning Yarn	842,897	19,369,308	20,212,205	1,004,048	19,208,157	KG

c) Finished Goods:

Particulars	Opening Stock on 01.07.2019	Production	Available for Sale	Sales/Use During the Year	Closing Stock on 30.06.2020	Unit
Finished Goods- Fabrics	4,257,631	37,347,774	41,605,405	37,088,518	4,516,887	Yards
Finished Goods-Spinning Yarn	842,897	19,369,308	20,212,205	19,208,157	1,004,048	KG

50.00 Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, Dated: 20 June 2018:

Reconciliation of Net Operating Cash Flow under Indirect Method:

Particulars	Taka 30th June 2020	Taka 30th June 2019
Net Profit after Tax	274,122,133	554,427,270
Depreciation	762,618,865	697,426,413
Increase of Account Payable	(320,414,901)	(408,518,273)
Increase Provision for Expenses	1,214,147	(6,850,411)
Decrease of Provision for Tax	12,916,270	98,354,480
Increase of Inventories	(962,628,892)	(95,235,360)
Decrease of Transit	81,817,912	(82,379,621)
Increase of Accounts Receivable	481,679,397	(266,771,222)
Advance, Deposits & Prepayments	(69,303,502)	(58,400,027)
Net Cash Provided by Operation Activities	262,021,429	432,053,249
Net Operating Cash Flow Per Share	1.56	2.58



FINANCIAL STATEMENTS



ENVOY TEXTILES LIMITED Property, Plant and Equipment As at 30 June 2020

Sl.	Particulars	C O S T / R E V A L U A T I O N					D E P R E C I A T I O N					W r i t t e n d o w n V a l u e						
		Balance as at 01.07.19	Addition During the Year	Addition Against Unlocks	Total as at 30.06.20	Rate %	Total Cost as at 30.06.20	Revaluation Surplus	On Cost	Accumulated Depreciation as at 01.07.20	Balance as at 01.07.20	Charged during the year	On Revaluation Surplus Charged during the year	Accumulated Depreciation as at 30.06.20	Original Cost as at 30.06.20	Revaluation Surplus as at 30.06.20	Total as at 30.06.20	
																		1
1	Building Factory	1,536,932,707	-	-	1,536,932,707	-	1,962,943,845	3%	223,897,709	48,374,970	272,266,679	30,526,295	2,886,745	33,213,040	1,564,124,028	93,338,098	1,657,462,125	1,708,723,841
2	Rest house, Officer & Staff quarter	551,822,668	11,416,669	1,312,895	564,551,632	2%	638,968,852	2%	44,008,172	10,383,574	54,291,745	15,691,066	1,574,573	17,265,591	510,299,887	77,151,729	587,411,615	586,540,150
3	Building Corporate Office	303,125,200	135,000	-	303,260,200	3%	331,397,993	3%	63,535,008	7,195,260	70,546,268	54,696,348	5,206,519	59,902,867	232,714,352	168,344,108	401,058,460	413,251,138
4	Factory Equipment	203,665,067	2,292,215	-	205,957,282	10%	209,897,582	10%	85,855,546	18,389,578	104,145,124	-	-	-	165,722,458	-	165,722,458	181,749,321
5	Furniture and Fixture	93,225,909	1,155,012	-	94,380,921	10%	98,680,921	10%	37,907,011	6,019,640	43,926,652	-	-	-	54,754,269	-	54,754,269	59,618,898
6	Land and Land Development	130,997,489	-	-	130,997,489	-	1,494,770,136	-	-	-	-	-	-	-	150,997,489	1,343,772,667	1,494,770,156	1,494,770,156
7	Machinery & Equipment	8,438,294,129	77,258,838	383,168,878	8,903,711,845	10%	8,918,721,845	10%	2,460,711,651	623,779,647	3,083,491,167	-	-	-	5,835,230,678	3,068,490,469	8,903,721,147	8,903,721,147
8	ITP Cost	94,804,786	22,000	-	94,826,786	-	101,175,714	10%	40,862,882	5,396,290	46,259,172	3,884,098	246,483	4,130,581	48,388,674	2,218,546	50,607,220	50,607,220
9	Office Equipment	97,746,265	1,935,410	-	99,681,675	10%	99,681,675	10%	6,811,901	8,501,479	15,313,380	-	-	-	62,274,814	-	62,274,814	67,151,805
10	Motor Vehicle	116,912,395	-	-	116,912,395	20%	116,912,395	20%	72,405,198	8,501,479	80,906,677	-	-	-	35,605,737	-	35,605,737	44,007,197
11	Other Construction	213,636,505	11,332,802	-	224,969,307	5%	237,298,870	5%	37,905,899	9,069,850	46,975,749	4,548,010	388,128	4,936,138	177,989,358	7,374,426	185,363,784	183,493,159
12	Others Assets	267,302,638	3,447,857	-	270,750,495	5%	270,750,495	5%	52,765,119	10,813,072	63,578,191	-	-	-	207,172,304	-	207,172,304	214,537,420
	Sub-Total	12,456,165,478	108,996,103	384,481,773	12,949,643,354		14,761,209,945		3,150,261,025	753,934,222	3,904,195,247	109,145,817	10,302,400	119,448,217	9,045,448,107	1,692,199,374	10,737,647,479	11,008,406,226

Schedule of Intangible Assets
As at 30 June 2020

Sl.	Particulars	C O S T / R E V A L U A T I O N					A M O R T I Z A T I O N					W r i t t e n d o w n V a l u e						
		Balance as at 01.07.19	Addition During the Year	Addition Against Unlocks	Total as at 30.06.20	Rate %	Total Cost as at 30.06.20	Revaluation Surplus	On Cost	Accumulated Amortization as at 01.07.20	Balance as at 01.07.20	Charged during the year	On Revaluation Surplus Charged during the year	Accumulated Amortization as at 30.06.20	Original Cost as at 30.06.20	Surplus as at 30.06.20	Total as at 30.06.20	
																		1
1	Software and other Intangible	80,181,449	2,133,040	-	82,314,489	20%	82,314,489	-	37,969,145	8,655,765	46,624,910	-	-	-	35,689,579	-	35,689,579	46,212,305
	Sub-Total	80,181,449	2,133,040	-	82,314,489		82,314,489		37,969,145	8,655,765	46,624,910	-	-	-	35,689,579	-	35,689,579	46,212,305
	Total	12,536,346,927	111,129,143	384,481,773	13,031,957,843		14,845,605,434		3,188,220,157	762,899,987	3,950,820,157	109,145,817	10,302,400	119,448,217	9,081,137,686	1,692,199,374	10,773,337,060	11,086,018,531

Depreciation & Amortization Allocation

Factory Overhead	730,435,748
Administrative & General Expenses	23,498,474
Rest house, Officer & Staff quarter	10,283,574
Building Corporate Office	7,195,260
Furniture and Fixture	6,019,640
Total Depreciation	753,934,222
Software	8,655,765
Total Depreciation & Amortization	762,899,987



AT A GLANCE 2019-2020



Directors at 24th AGM



Shareholders at 24th AGM



Blood Donation Program 2020



Capacity Building Development Program on ISO 45001: 2018



RJSC Officials Visits at Factory



Annual Sports Prize Distribution Program



Birthday Celebration



“Blue Zone” Exhibition, Munich, Germany



Annual ‘Pita Utshob’



Annual Cultural Program



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES



Ref. No: (M-2020/098)

Date of issue : February 18, 2020

Renewed Certificate

This is to certify that

ENVOY TEXTILES LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2020.




Secretary-General



এনভয় টেক্সটাইলস লিমিটেড

কর্পোরেট/রেজিস্টার্ড অফিসঃ এনভয় টাওয়ার
(৬ষ্ঠ-৯ম তলা), ১৮/ই, লেক সার্কাস কলাবাগান, পশ্চিম পাছপথ, ঢাকা-১২০৫

২৫তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এই মর্মে সংশ্লিষ্ট সকলকে জানানো যাচ্ছে যে, এনভয় টেক্সটাইলস লিমিটেড-এর সম্মানিত শেয়ারহোল্ডারদের ২৫তম বার্ষিক সাধারণ সভা আগামী ২৮শে ডিসেম্বর ২০২০, সোমবার, সকাল ১১.০০ ঘটিকায় (ঢাকার স্থানীয় সময়) নিম্নবর্ণিত বিষয়সমূহ আলোচনা ও সিদ্ধান্ত গ্রহণের নিমিত্তে ডিজিটাল প্ল্যাটফর্মে অনুষ্ঠিত হবেঃ

আলোচ্যসূচী

আলোচ্যসূচী ১ঃ ৩০শে জুন, ২০২০ তারিখে সমাপ্ত বছরের নিরীক্ষিত আর্থিক হিসাব বিবরণী এবং এর উপর পরিচালনা পর্ষদ ও নিরীক্ষকদের প্রতিবেদন গ্রহণ, বিবেচনা ও অনুমোদন।

আলোচ্যসূচী ২ঃ ৩০শে জুন, ২০২০ তারিখে সমাপ্ত বছরের লভ্যাংশ ঘোষণা।

আলোচ্যসূচী ৩ঃ অত্র কোম্পানীর সংঘ-বিধি অনুযায়ী পরিচালকমণ্ডলী নির্বাচন।

আলোচ্যসূচী ৪ঃ ব্যবস্থাপনা পরিচালকের পুণঃ নিয়োগ।

আলোচ্যসূচী ৫ঃ নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।

আলোচ্যসূচী ৬ঃ পেশাজীবী হিসাব রক্ষক/সচিব নিয়োগ।

পরিচালনা পর্ষদের নির্দেশক্রমে

এম সাইফুল ইসলাম চৌধুরী, এফসিএস
কোম্পানী সচিব
মঙ্গলবার, ১৩ই অক্টোবর ২০২০

রেজিস্টার্ড অফিসঃ
এনভয় টাওয়ার
১৮/ই, লেক সার্কাস কলাবাগান
পশ্চিম পাছপথ, ঢাকা-১২০৫

দ্রষ্টব্যঃ

- ২৫তম বার্ষিক সাধারণ সভার 'রেকর্ড ডেট' আগামী ১৫ই নভেম্বর, ২০২০। উক্ত তারিখে যে সকল শেয়ারহোল্ডারের নাম সিডিএস ব্যবস্থাপনায় শেয়ার রেজিস্টারে অন্তর্ভুক্ত থাকবে, তাঁরা সভার কার্যক্রমে অংশগ্রহণ করতে পারবেন এবং লভ্যাংশ গ্রহণের উপযুক্ত বলে বিবেচিত হবেন।
- এটি ভার্চুয়াল সাধারণ সভা এবং সম্মানিত শেয়ারহোল্ডারবৃন্দ <https://envoytex.bdvirtualagm.com> লিংকের মাধ্যমে সভায় অংশ গ্রহণ করবেন।
- যথাযথভাবে পূরণকৃত প্রয়োজনীয় মূল্যের রাজস্ব স্ট্যাম্প সংযুক্ত প্রক্সি ফরম বা পাওয়ার অব এটার্নি সভা শুরু হওয়ার অন্তত ৪৮ ঘন্টা পূর্বে অবশ্যই কোম্পানীর রেজিস্টার্ড অফিসে জমা দিতে হবে।
- বার্ষিক সাধারণ সভা অনুষ্ঠিত হবার ২৪ ঘন্টা পূর্ব হতে বা চলাকালীন সময়ে শেয়ারহোল্ডারগণ ১৬ ডিজিটের বিও নম্বর ও অন্যান্য প্রয়োজনীয় তথ্যাদি পূরণ সাপেক্ষে <https://envoytex.bdvirtualagm.com> লিংকের মাধ্যমে তাদের প্রশ্ন/মতামত দাখিল করতে পারবেন এবং ভোটাধিকার প্রয়োগ করবেন।
- বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশনা মোতাবেক বার্ষিক প্রতিবেদন ২০২০ এর সফট কপি সিডিবিএলে রক্ষিত শেয়ারহোল্ডারগণের ই-মেইলে যথাসময়ে প্রেরণ করা হবে এবং এটি কোম্পানীর ওয়েবসাইট www.envoytextiles.com থেকে সময়মত সংগ্রহ করা যাবে।



OUR ACHIEVEMENTS



Envoy Textiles Limited

Corporate & Registered Office: Envoy Tower (5th– 8th Floor)
18/E, Lake Circus Kalabagan, West Panthapath, Dhaka-1205

Proxy Form

I/We _____
of _____
_____ a Member of Envoy Textiles Limited, hereby appoint

a. Mr./Ms. _____
of _____ or failing him /her

b. Mr./Ms. _____
of _____

either of them may, in writing, appoint anyone to act as my proxy at the 25th Annual General Meeting of the Company to be held on Monday, 28 December 2020 and at any adjournment thereof.

As witness by our hand on this _____ day of _____ 2020

Shareholder's

Signature : _____

Name : _____

BO A/C No. : _____

Witness

Signature : _____

Name : _____

Address : _____

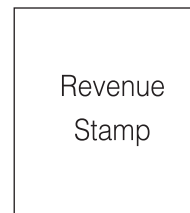
Specimen Signature of the proxies

a. _____

Name

b. _____

Name



Note: The proxy form duly completed must be deposited at the Company's registered office, Envoy Tower, 18/E, Lake Circus Kalabagan, West Panthapath, Dhaka-1205, by 11.00AM of 26 December 2020, otherwise the proxy form will not be accepted.



এনভয় টেক্সটাইলস লিমিটেড

কর্পোরেট/রেজিস্টার্ড অফিসঃ এনভয় টাওয়ার (৬ষ্ঠ-৯ম তলা), ১৮/ই
লেক সার্কাস কলাবাগান, পশ্চিম পাশ্চপথ, ঢাকা-১২০৫

প্রতিনিধিপত্র

আমি/আমরা
ঠিকানা
..... এনভয় টেক্সটাইলস লিমিটেড-এর সদস্য হিসেবে

ক. জনাব/বেগম
ঠিকানা
..... অথবা তার অনুপস্থিতিতে

খ. জনাব/বেগম
ঠিকানা
কে বা তাদের যেকোনো একজনকে আমার/আমাদের প্রতিনিধি হিসেবে আমার/আমাদের অনুপস্থিতিতে সোমবার, ২৮ ডিসেম্বর
২০২০ তারিখে অনুষ্ঠিতব্য কোম্পানীর ২৫তম বার্ষিক সাধারণ সভায় এবং তার মূলতবি ঘোষিত সভায় অংশগ্রহণ ও ভোটদানের
জন্য নিযুক্ত করলাম। সাক্ষ্য হিসেবে আজ তারিখে, আমার হাতে সাক্ষরিত।

শেয়ার হোল্ডার

স্বাক্ষর :
নাম :
বিও নম্বর :

স্বাক্ষর

স্বাক্ষর :
নাম :
ঠিকানা :

প্রতিনিধির নমুনা স্বাক্ষর

ক.

নাম

খ.

নাম

রেভিনিউ
স্ট্যাম্প

বিশেষ দৃষ্টব্য: প্রতিনিধিপত্র যথাযথভাবে স্বাক্ষর করে ২৬ ডিসেম্বর ২০২০ সকাল ১১.০০ টার মধ্যে কোম্পানীর নিবন্ধিত কার্যালয়
এনভয় টাওয়ার, ১৮/ই, লেক সার্কাস কলাবাগান, পশ্চিম পাশ্চপথ, ঢাকা-১২০৫ এ অবশ্যই জমা দিতে হবে। অন্যথায়
প্রতিনিধিপত্রটি গ্রহণ যোগ্য হবে না।

OUR INTERNATIONAL STANDARDS



GREEN BUILDING CERTIFICATION



Carbon Performance Improvement Initiative

MANAGEMENT SYSTEM STANDARD



CU 813494



CU 813494



CU 813494



SUSTAINABLE RESPONSIBLE SOURCING CERTIFICATIONS



ALLIANCE FOR BANGLADESH WORKER SAFETY

CODE OF CONDUCT IMPLEMENTATION



OUR COMMITMENT



SUSTAINABLE PROJECT IMPLEMENTATION

PLANT VISUAL



Envoy Textiles Limited

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FACTORY

Jamirdia, Bhaluka, Mymensingh, Bangladesh
Phone: 0682- 555037-40, Fax : 0682-555008

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www.envoytextiles.com