

ANNUAL REPORT 2019

*TODAY
FOR
TOMORROW*



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 -2019

We have the pleasure in submitting the Annual Report-2019 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

Sunday, 17 November 2019
Dhaka



ENVOY TEXTILES LIMITED

Notice of the 24th Annual General Meeting

Notice is hereby given that the 24th Annual General Meeting of the Shareholders of Envoy Textiles Limited will be held on Saturday, 21 December 2019 at 10:00AM at Samarai Convention Center, 23/G/7, Panthapath (Opposite to Bashundhara City Market), Dhaka-1205 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 2019 together with the Reports of the Directors' and the Auditors' thereon;
- Agenda 2: To declare dividend for the year ended 30 June 2019;
- Agenda 3: To elect Directors in accordance with the provision of Articles of Association of the Company;
- Agenda 4: To appoint Auditors of the Company for the term until the completion of 25th Annual General Meeting and fixation of their remuneration;
- Agenda 5: To Appoint an Independent Director; and
- Agenda 6: To Appoint Professional Accountant/Secretary for the year 2019-20

By order of the Board

M Saiful Islam Chowdhury, FCS
Company Secretary
Saturday, 12 October 2019

Registered Office:
Envoy Tower,
18/E, Lake Circus Kalabagan
West Panthapath, Dhaka-1205

Notes:

- (i) Shareholders whose names would appear in the Depository Register on the Record Date i.e. 14 November 2019 shall be eligible to attend the 24th AGM of the Shareholders of the Company and entitled to Dividend.
- (ii) 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.
- (iii) The Annual Report-2019 will be available in the Company's website at <http://www.envoytextiles.com/investors-reports.php>





EXPLANATORY NOTES

TO THE AGENDA FOR THE 24th 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 24th Annual General Meeting of the Company scheduled for 21 December 2019]

Agenda No. 1: To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June 2019 together with the Reports of the Directors' and the Auditors' thereon.

The Annual Report for 2019 contains the Annual Accounts for the year ended 30 June 2019 together with the Reports of the Auditors' thereon and the report from the Board of Directors.

The Annual Accounts for the financial year 2018-2019 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 2018-2019.

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 2018-2019 together with the Reports of the Directors' and the Auditors' thereon.

Agenda No. 2: To declare dividend for the year ended 30 June 2019

Net income attributable to Shareholders amounted to Taka 554.43 million, Earnings per Share (EPS) consequently amounted to Taka 3.31 in Financial Year 2018-2019. The Board of Directors recommended 15% Cash Dividend i.e. Tk.1.50 for every share of Tk.10.00 each for the year ended 30 June 2019 in it's Meeting held on 12 October 2019 to the General Meeting of Shareholders to be held on 21 December 2019. Payment of dividend for the year ended 30 June 2019 as recommended by the Board, if approved at the General Meeting, will be payable on or before 20 January 2020 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 14 November 2019

Members are requested to submit to the Company's Registered/Corporate Office on or before 19 December 2019, 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 No. 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, Barrister Shehrin Salam Oishee, Mrs. Sumayyah Ahmed and Mr. Ishmam Salam, Directors 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 Barrister Shehrin Salam Oishee, Mrs. Sumayyah Ahmed and Mr. Ishmam 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 Barrister Shehrin Salam Oishee, Mrs. Sumayyah Ahmed and Mr. Ishmam 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 No. 4 : To appoint Auditors of the Company for the term until completion of next Annual General Meeting and fixation of their remuneration.

M/S Mahfel Huq & Co., Chartered Accountants has carried out the audit of the Company for the year 2018-2019 and completed 1st 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 2019 proposed for reappointment of M/S Mahfel Huq & Co., Chartered Accountants to hold office for the period until conclusion of 25th 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 2019-2020 at such amount of remuneration to be fixed at 24th Annual General Meeting.

Agenda No. 5 : To Appoint an Independent Director of the Company.

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 FCMA, FCS as an Independent Director for 3 years term in recommendation of Nomination and Remuneration Committee of the Board, subject to approval of the members of the Company at ensuing 24th Annual General Meeting.

Mr. Itrat Husain FCMA, FCS 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.

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.

He holds no shares in the Company.

Agenda No. 6: To Appoint Professional Accountant/ Secretary for the year 2019-20 and to fix their remuneration.

It is required to appoint a practicing Professional Accountant/ Secretary for the year 2019-20 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 2019-2020 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

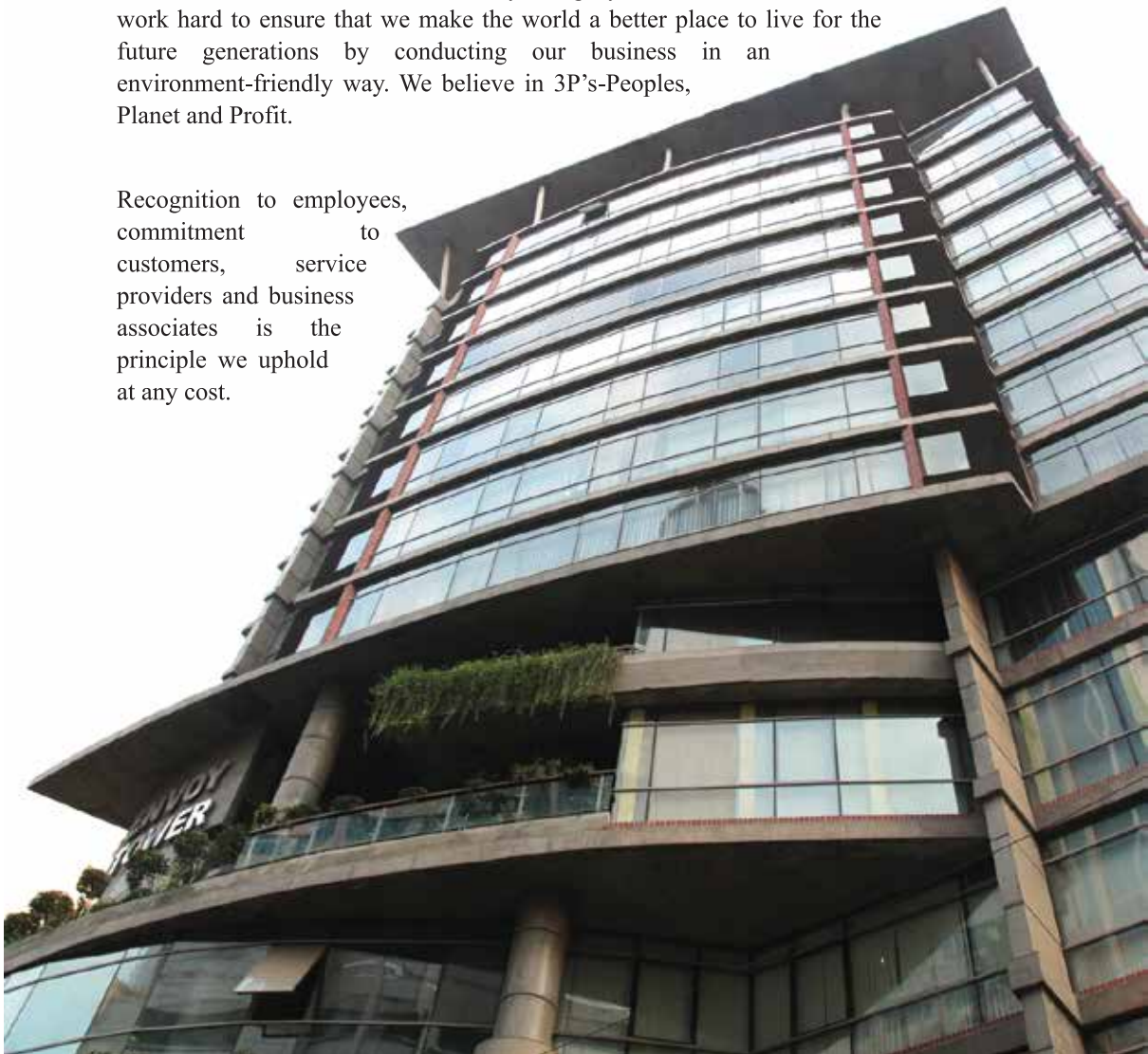
To achieve global dominance –through:

- 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 60-63 MT of Yarn per day, with an annual production capacity of 21,000 MT.

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.

Envoy Textiles Product range consists of -

- 100% cotton denim
- Over dyed denim fabric
- Flat/mercerized denim
- Coated denim
- Dual core
- Blender
- Indigo by Indigo denim
- Stretch denim fabric
- Vintage cross-hatch style denim fabric
- Natural denim
- Cotton/ poly/ spandex
- Performance denim
- Handloom/ Knit look
- 100% Tencel





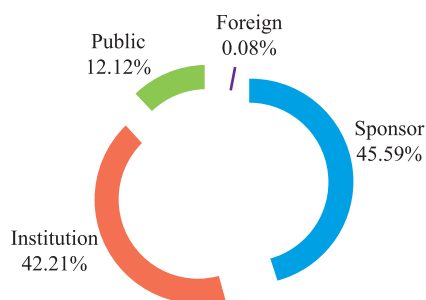
SHAREHOLDING STRUCTURE

As on 30 June 2019

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

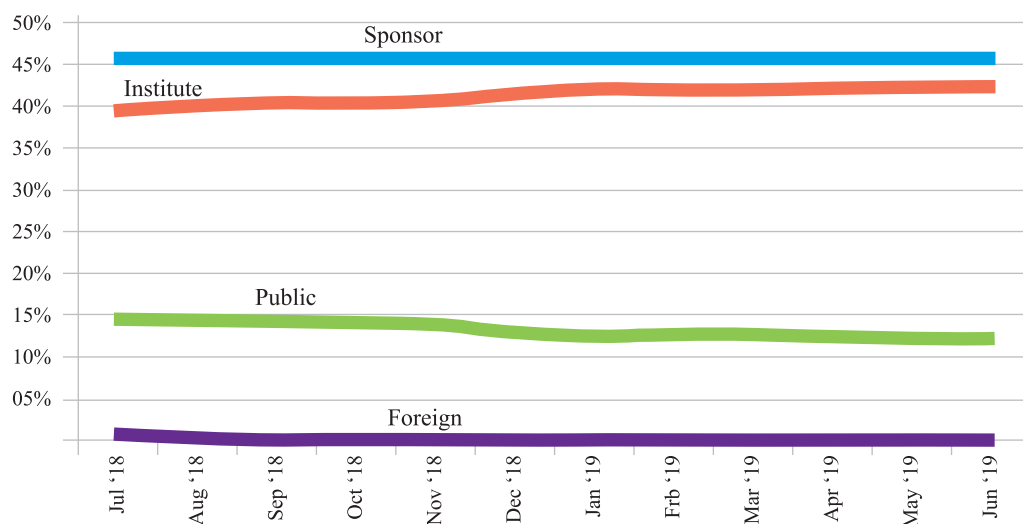
Shareholdings Category	Number of Shares	In %
Sponsors/Directors	76,453,883	45.59
Individual Shareholders	20,332,520	12.12
Institutional Shareholders	70,804,797	42.21
Foreign Shareholders	143,567	0.08
Total	167,734,767	100

Shareholding structure by category in graph as on 30 June 2019



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

	July '18	Aug '18	Sep '18	Oct '18	Nov '18	Dec '18	Jan '19	Feb '19	Mar '19	Apr '19	May '19	Jun '19
Sponsor	45.59	45.59	45.59	45.59	45.59	45.59	45.59	45.59	45.59	45.59	45.59	45.59
Institute	39.31	39.86	40.22	40.31	40.49	41.28	41.92	41.79	41.80	42.06	42.18	42.21
Public	14.47	14.26	14.11	14.02	13.84	13.05	12.41	12.53	12.52	12.26	12.14	12.12
Foreign	0.63	0.29	0.08	0.08	0.08	0.08	0.08	0.09	0.09	0.09	0.09	0.08





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 Federation India-Bangladesh Chamber of Commerce & Industry Korea-Bangladesh Chamber of Commerce & Industry Metropolitan Chamber of Commerce & Industry
Legal Advisor	Mr. Md. Fazlur Rahman Khan, Advocate Bangladesh Supreme Court 9/2 Kaji 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	BRAC Bank Limited 1, Gulshan Avenue Gulshan-1, 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



Factory Partial View



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
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



Abdus Salam Murshedy, MP
Managing Director



Rashida Ahmed
Director



Sharmin Salam
Director



Tanvir Ahmed
Director



Barrister Shehrin Salam Oishee
Director



Sumayyah Ahmed
Director



Ishmam Salam
Director



Syed Shahed Reza
Independent Director



Itrat Husain FCMA, FCS
Independent Director





MANAGEMENT TEAM



Tushar Tripathi
Chief Executive Officer



Nanda Dulal Biswas
Head of Plant



Shama Proshad Ghosh
Deputy Head of Plant



K. M. Rezaur Rahman
Head of Project Management



Mohammad Majibur Rahman
Head of Spinning



Vincent Qin
Chief Marketing Officer



Md. Faizul Matin
Head of Administration



Hamimur Rahman
Head of Human Resources



Saiful Islam, FCMA
Chief Financial Officer



Shekhar Ghosh
Head of Quality Assurance





Atiqur Rahman
Head of Commercial



M Saiful Islam Chowdhury FCS
Company Secretary



Md. Nurul Haq
Head of Supply Chain



Mohammad Ataur Rahman, ACMA
Head of Internal Audit & Compliance



Yalcin Eren
Head of Research & Development



Sk. Nurul Absar
Advisor



Emran Hossain
Consultant, Commercial Division



Bazlur Rahman
Consultant, Project Management Division



Dr. Sayeed Ahmed Khan
Medical Advisor



Ruocang Wu
Business Coordinator, Hong Kong Office





GLOBAL EXPERTS



Tushar Tripathi
Chief Executive Officer



Vincent Qin
Chief Marketing 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



Gurkan Ozdamar
Technician, R&D



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



KEY MILESTONE

Incorporation of the Company	:	18 June 1995
Year of Commercial Operation	:	01 March 2008
Amalgamated with Edge Denims Limited	:	30 September 2009
Converted to Public Limited Company	:	25 October 2009
Awarded ISO- 9001:2008 Certificate	:	16 December 2010
Awarded ISO- 14001:2008 Certificate	:	16 December 2010
Awarded First EPB National Export Trophy (Gold) for 2009-10	:	30 November 2011
Relocation of Company's Corporate Office at own premises	:	26 January 2012
Listed with Stock Exchanges	:	03 December 2012
Levi's Lab Accreditation	:	05 April 2016
Leed Platinum Certification by US Green Building Council	:	07 April 2016
Opening Representative Office in Hong Kong	:	14 April 2016
Commercial Operation of Spinning Unit	:	01 October 2016
HSBC Excellence Award 2017	:	17 November 2017
ICSB National Award 2016 Gold for Corporate Government Excellence	:	02 December 2017
ICMAB Best Corporate Award 2016 with the First Position	:	29 January 2018
Presidential Award (category-large industry) for Industrial Development	:	22 May 2018
National Export Trophy Gold	:	17 July 2018
National Environment Award 2019	:	20 June 2019
National Export Trophy Gold for year 2016-2017	:	02 September 2019





PERFORMANCE





CHAIRMAN'S REPORT



Today for Tomorrow

Kutubuddin Ahmed
Chairman
Thursday, 14 November 2019
Dhaka

DEAR SHAREHOLDERS

I am pleased to present you the Annual Report of Envoy Textiles Limited for the year 2018-19. This report marks our efforts and achievements for corporate governance, business performance, environment and society.

In our country, there are more than 6 million people working in the garment and textile industry. 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.

What we are doing today, we are doing it for tomorrow.

Overview

Global growth has continued to soften this year. The challenges being faced by our country are common to all emerging economies. Despite of high interest costs, increase in power cost and ever-increasing input costs, price competitiveness in global market, the performance of the Company is at satisfactory level, but has not been up to a desired level. With the expected revival in the global economy, the outlook for the Company is expected to remain stable. I would like to extend my gratitude to all our stakeholders including the staff members and customers for their unstinted support in shaping the performance of the Company.

Financial Results

It gives me great pleasure to report that we have achieved a record result in 2018-19, notwithstanding some challenges. Revenue grew by 20.64% to BDT 9,118.52 million on the back of strong performances in Export Selling.

The year 2018-19 was highly challenging across the denim industry. Production costs have been onward 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.

This past year, bank interest rate increased by at least 33%, which absorbed a huge amount of the gross profit.





Against these backdrop, the Company's financial performance in 2018-19 was very satisfactory, key highlights include:

- a growth of 20.64% in Revenue;
- a growth of 68.04% in Net Profit;
- an increase of gross margin of 41.53%; and
- a significant increase of cash flow per share.

We are utilizing optimum capacity of our Spinning plant in producing quality yarn. This will help to reduce the dependence on outsourced yarn and will further support in improvement of the operating margins.

Marketing Strategy

We are focusing strategically more on longer term growth by taking proactive actions and initiatives.

Before, more than 80% of our developments are done based on buyers' request; this year, more than 50% of our developments are out of our own initiative prior to buyers' seasonal sourcing. We invited an Italian designer to develop a full collection from tops to bottoms and trims. We launched two new sustainable series: the REBORN™ series and ECO-STRETCH™ series this year.

Global exhibitions are our new platform for marketing, market information gathering and network building. We started our exposure in denim trade shows this year. In May 2019, we participated in Denim Expo in Dhaka; our exposure in the exhibition successfully drew attention of Sportswear International, the most influential professional periodical in the world. A subsequent visit of the Chief Editor Ms. Sabine Kühnl, the Senior Associate Editor Ms. Julia Mönnich to our factory premises subverted their perception of Bangladesh mill, and eventually led to a very positive report of Envoy Textiles Ltd. in one issue of Sportswear International. In September 2019, we marked our debut in Blue Zone denim trade show in Munich, Germany.

This year, we welcomed key global buyers, suppliers and international fashion media to our head office and factory premises, witnessing our green efforts in different aspects. This initiative helped not only gain respects from our partners but also strengthen our collaboration with our partners such global leading fiber suppliers and chemical suppliers. Eventually we are changing from trend follower to one of the trend leaders in the market.

In 2019, we renovated our company website. The new website refreshed our company image. One highlight is the built-in digital library. With currently more than 160 products' photos and fabric specifications posted on it, this digital library provides our customers another sourcing channel. New products are being uploaded from time to time to enrich the digital library's collection.

Social media marketing is becoming popular, we opened new account: "Envoy.Denim" in Instagram and Facebook, which concentrate mainly on sharing our denim collection, know-how, sustainability, passion for denim.

SUSTAINABILITY, we mean it!

Sustainability, the once compliance requirement and part of corporate social responsibilities, is now gaining more and more weight and is addressed as an independence topic.

As world's 1st LEED Platinum certified denim mill, we are recognized as the greenest denim mill in Bangladesh.

We are benefiting from advanced technology to empower our pursuit in sustainability. For example, our new Jeanologia Dynamic Ozone finishing machine and Pantek Hot-air finishing machine allow us to reduce more than 70% water consumption and eliminate 100% chemicals.

In 2019, our Eco-lab equipped with the latest JEANOLOGIA laser machine ran into operation. The Eco-lab project is our new footprint in pursuing impactful sustainability. We replace wet and dry process with laser technology in our laundry development, all formula can be shared friendly with our valued customers, and be converted to bulk production without compromise.

We launched two new eco-sustainable denim collection series in 2019: the REBORN™ series and ECO-STRETCH™ series. REBORN™ series features to bring new life to waste and recycled materials, by transforming them into functional and fashionable products. ECO-STRETCH™ series brings stretch into eco-time. Aside from sustainable stretch materials such as Lycra®T400 eco-made and REPREVE® recycled polyester, waterless dyeing and zero-water finishing technologies are also introduced in our production process.

We have also installed a caustic recovery plant in order to recover caustic used in the plant as a commitment of environment-friendly production process.





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.

This year we brought in Laser Wash technology, by which any wash effect can be made in fabrics without using water and chemical and accumulated new washing machines for sample testing.

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 in quickest possible time.

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 in the year 2018-19

- 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
- National Environment Award 2019
- ICMAB Best Corporate Award 2017 with the First Position

Status of Issuance of Preference Shares

We have decided to issue and offer 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 Million through private placement to the potential investors, subject to 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.

Performance of Spinning Unit

We have a Spinning Plant with a capacity of producing 21,000 MT of yarn per year mostly for our own consumption in order to attain uninterrupted and quality supply of yarn for denim fabric production.

We have invested around USD 2.9 million this year for some new machineries (Rotor, Winding, Carding, Air Covered, Humidification plant) as a part of continuous development in plant efficiency.





Capital Investment

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

Last year we constructed a 4 storied building for officer's dormitory facility at a cost of around BDT 120 million.

We expanded our loom capacity by adding 20 new machines and also Dying capacity with 4th yarn dying plant.

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.

We aim to leverage our existing suite 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 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 21 December 2019.

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 24th Annual General Meeting of Envoy Textiles Ltd.





MESSAGE FROM MANAGING DIRECTOR



Abdus Salam Murshedy, MP
Managing Director
Thursday, 14 November 2019
Dhaka

The year 2018-19 was very significant for Bangladesh Textiles & RMG Industry that has contributed at least 84 percent of country's annual exports; and has further contributed over USD 32 billion to the economy and generating employment for almost 4.5 million people.

In the year, the Committee for Development Policy and UN panel, announced Bangladesh's eligibility for the developing country category that was possible mainly for the immense contribution of apparel and textile industry to the country's economy.

In the global market, Bangladesh is now more prominent as a supplier of denim products market, this is because of enhancing capacity by machinery upgradation. Currently, at Envoy Textiles, we are using the most modern technology to produce quality yarn and denim fabrics.

We were awarded with LEED Platinum certification by US Green Building Council, highest certification for a green factory. We are now emphasizing on sustainable production process, since buyers now are more cautious about environmental and health hazards issues, the denim products manufactured by a sustainable process are becoming more popular.

We are committed towards improvement in infrastructure, capital asset upgradation and modernization. And also, we are continuously working towards building Company's brand image by introducing value added products.

Bangladesh can directly benefit in the event of escalating trade war between US and China, especially if the US imposes higher tariffs on imported Chinese apparel, who are our prime competitor in US markets.

Cancellation of Trans-Pacific Partnership (TPP) agreement by the US government with 11 partner countries including Vietnam, - have resulted in fresh imposition of tariff on Vietnamese apparel, by which Bangladesh can be directly benefited, as its closest competitor.

I would like to extend my gratitude to all our stakeholders including the staff members and customers for their unstinted support in shaping the performance of the Company.





CORPORATE SOCIAL RESPONSIBILITY (CSR)

In spite of conducting business operation, Envoy Textiles Limited has also taken initiatives to contribute to the society through various CSR program. Among them, few are:

Pediatric Intensive Care Unit (ICU) cum High Dependency Unit (HDU): Envoy Textiles Limited (the Company) 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 constructions.

Tree Plantation Campaign: 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.

Awareness Program for Dengue: 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

Awareness Program for Fire Safety: 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.

Priority Appointment of Physically Challenged People: 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 counting. Among these, most of the appointments were given proactively by the Company.

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

Salaries for Victims of other company: 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 being paid to the nominees of the victims through Bangladesh Garments Manufacturers and Exporters Association (BGMEA).

Financial Aid to Special Patient: 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.

Financial Aid on other matters: The Company provides financial aids in different instances. Contributions were made for Rana Plaza accident, the landslide victims of Rangamati and also for Rohingya Refugees of Cox’s Bazar.

Ecological Contribution: A bunch of rabbits were discharged at Bangabandhu Safari Park as a contribution to the nature. The rabbits were born and raised at Factory premises of the Company and were then transferred to Safari Park.

Effluent Treatment Plant (ETP): 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.

Visit of 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.



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 2017-18 by using BCI cotton, CmiA, Organic cotton etc. the early of 2017



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.



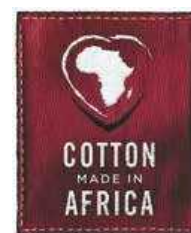
BCI (Better Cotton Initiative) MEMBERSHIP:

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. Up to Nov-2018, Envoy has used 68% of BCI cotton in its process.



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 adopted 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 concerned 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

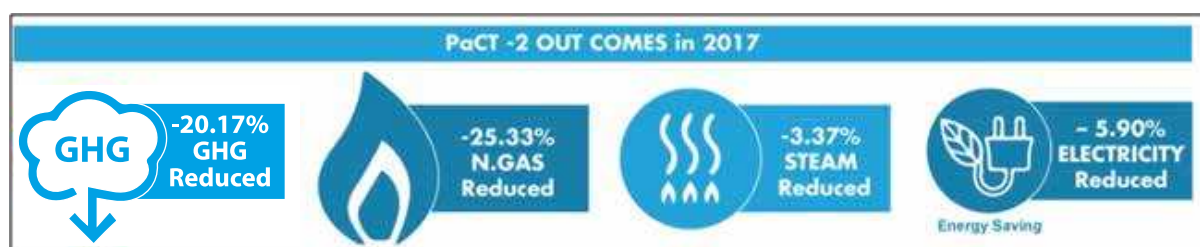
HIGG INDEX FEM 3.0:

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 71.62 for 2017 & 80 for 2018.



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.





Name of Resources	Unit for KPI	Before KPIs (per kg of production)	After KPIs (per kg of production)
Water (Process)	liter/kg	57.55	57.38
Electricity	kWh/kg	2.20	2.07
Gas	m3/kg	1.50	1.12
Steam	kg/kg	5.63	5.44
GHG avoided	kg/kg	3.42	2.73

Source: PaCT Monitoring Report 2017

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.



CARBON FOOTPRINT STANDARD CERTIFICATION:

CPI2 (Carbon Performance Improvement Initiatives)

CPI2's tools make optimizing the use of energy, water and chemicals easier for any factory. Percent of energy and water consumption can be saved by simple measures at no or low costs. Systematic use of CPI2 can also help improve health and safety standards in chemical use.

Envoy Textiles Limited is awarded on CPI2 Top Factory Competition in 3rd Place in 2017.





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

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 2019

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) 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, subject to the approval of the members of the Company at ensuing 24th Annual General Meeting.

Mr. Itrat Husain 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.

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.

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.

b) 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 conduct 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 2018-19

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 Nineteen (19) 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.

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 and for talent and performance management. The MT is chaired by the CEO and the team meets face to face on a regular basis.

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 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.

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 3 (three) 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

We strictly comply with the secretarial standard on meetings of the Board of Directors and Annual General Meeting issued by the Institute of Chartered Secretaries of Bangladesh (ICSB).

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.





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 2018-19. 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 2018-19, 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



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

Three meetings of NRC were held during the reporting year 2018-19 and activities of the Committee at a glance below:

1. Formulated Nomination and Remuneration Policy of the Company;
2. Recommended for the appointment of an Independent Director of the Company;
3. Determined & proposed the name of Director for retirement & reappointment;
4. Reviewed Annual Appraisal of Top-Level Executives of the Company;
5. Reviewed Director's Remuneration & fees;
6. Recommended the appointment of CEO;
7. Recommended for the appointment of Two top level Executives; and
8. Adopted a code of conducts for Directors.

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 2019



Mr. Tanvir Ahmed, Director of the Company is receiving 'National Export Trophy (Gold)' for the year 2016-17 for export performance, on behalf of 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 2019 in the following paragraphs:

INDUSTRY OUTLOOK

The denim industry in Bangladesh is becoming one of the largest in the world.

Bangladesh, the second largest exporters of apparel goods, has taken lead in the global denim export markets by grabbing more market, attracting an increasing number of international buyers.

As of now, Bangladesh is the number one exporter of denim goods to the European Union, while the third largest in the United States.

On top of that, Bangladesh has established its strong footage in the US market after China and Mexico with a gradual rise in market share.

The booming of Bangladesh's denim industry is mainly driven by its large manufacture capacity and cost effectiveness.

According to Zion Market Research, the global denim products market is at around \$66.02 billion in 2018 and it is expected to reach approximately \$85.4 billion by 2025.

According to the data from Bangladesh Textile Mills Association (BTMA), Bangladesh exports over USD 2 billion worth of denim products to the global market every year. Bangladesh currently has 32 denim fabrics manufacturing mills, which produce over 450 million yards of fabrics every year. The total investment in Bangladesh's denim sector has surpassed USD 1 billion.

Many major international brands such as H&M, Uniqlo, Levi's, Nike, Tesco, Wrangler, Hugo Boss, Puma, Primark, and JC Penney are now importing denim products from Bangladesh.

Along with opportunities, the industry has some challenges as well. Infrastructure is a major challenge. Inefficiency in ports, inadequate rail and road networks, gas and electricity crisis and the need for a deep sea port are some of the major challenges for Bangladesh denim industry.

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 66 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 running production capacity is average 63 MT/day, mostly the yarn from spinning plant consumes for the production of own denim fabric.





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

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Installed Production Capacity (in million yard)	52.00	50.00	50.00	50.00	50.00
Actual Production (in million yard)	44.71	39.41	37.77	*39.49	33.15
Capacity Utilized (in percentage)	85.97	78.82	75.54	78.99	66.30
Numbers of Loom Machine in Operation	384	364	364	314	314
Spinning Unit:					
Installed Production Capacity (in million kg)	22.00	21.00	17.50	-	-
Actual Production (in million kg)	19.58	17.56	11.36	-	-
Capacity Utilized (in percentage)	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 congestion in Chittagong Port freight and handling charges has gone up significantly in recent times, for the consequence, business is becoming more expensive for the local manufacturer.

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 numbers 3.06 to 4.06 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 15-20% 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.

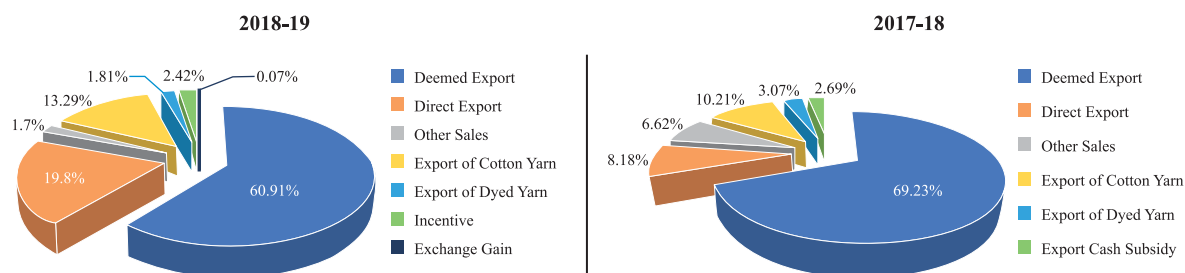
A volume of around 25 to 30% of yarn produced from Spinning Unit exports through local export-oriented denim fabrics manufacturers.

Revenue performance

all figures in million BDT

Revenue	2018-19	In %	2017-18	In %	Difference	In %
Deemed Export	5554.05	60.91	5,232.39	69.23	321.66	4.26
Direct Export	1805.78	19.80	618.73	8.18	1187.05	15.70
Other Sales	154.65	1.70	500.01	6.62	(345.36)	(4.57)
Export of Cotton Yarn	1211.73	13.29	771.78	10.21	439.95	5.82
Export of Dyed Yarn	165.26	1.81	232.13	3.07	(66.87)	(0.88)
Export Cash Subsidy	220.79	2.42	203.39	2.69	17.4	0.23
Exchange Fluctuation Gain	6.26	0.07	0	0	6.26	0.08
Total	9118.52	100	7,558.43	100	1560.09	20.64

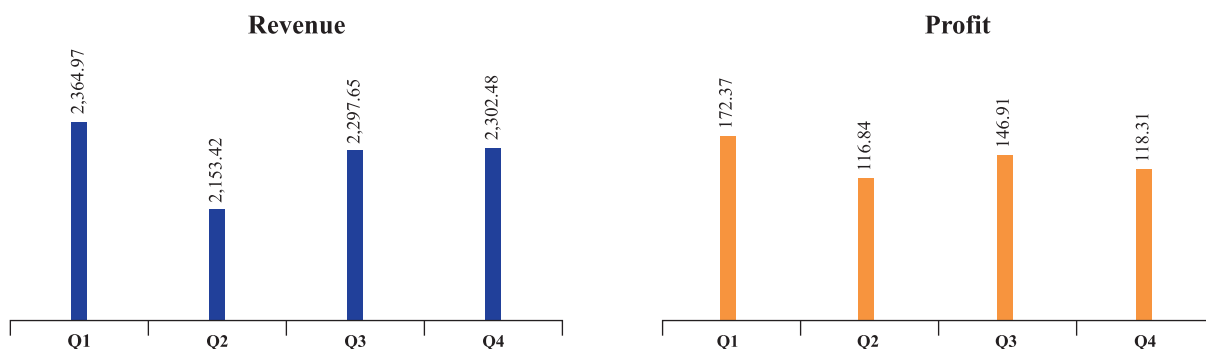
Revenue Segment in Graph



QUARTERLY RESULTS (2018-2019)

Particulars	Q1	Q2	Q3	Q4	Total
Revenue in million BDT	2,364.97	2,153.42	2,297.65	2,302.48	9,118.52
Q to Q in %	-	(8.95)	6.70	0.21	-
NP in million BDT	172.37	116.84	146.91	118.31	554.43
Q to Q in %	-	(32.22)	25.74	(19.47)	-

'Q' indicates Quarter





Revenue earnings of the Company was almost in steady flow in each quarter round the year, except a slight declining in 2nd quarter, mainly due to a seasonal impact, which is usual in denim business.

Net Profit for the 2nd quarter has also decreased due to unsatisfactory revenue earnings, for obvious reason.

There was no significant deviation from quarter to quarter financial results.

Cost Analysis

all figures in million BDT

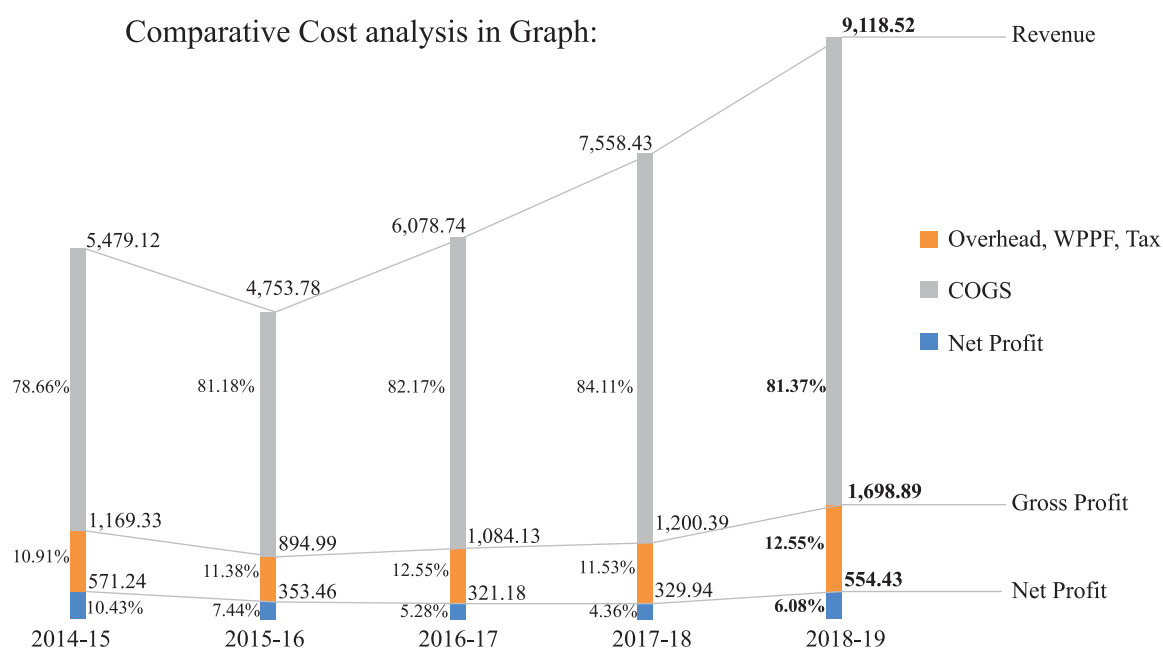
Particulars	2018-19	2017-18	2016-17	*2015-16	2014-15
Cost of Raw Materials	5,570.46	4,776.09	3,920.94	2,921.44	3,675.88
Other Production Overhead	2,042.14	1,699.93	1,483.63	920.86	860.61
Total Cost of Production	7,612.60	6,476.02	5,404.57	3,842.30	4,536.49
Cost per Yard in BDT	142.74	140.87	125.27	129.72	136.86
% of Raw Materials Cost to Production:	73.17	73.75	72.55	76.04	81.03
Cost of Goods Sold (COGS)	7,419.62	6,358.04	4,994.61	3,858.79	4,309.79
Revenue	9,118.52	7,558.43	6,078.74	4,753.78	5,479.12
% of COGS to Revenue	81.37	84.11	82.17	81.18	78.66
Gross Profit (GP)	1,698.89	1,200.39	1,084.13	894.99	1,169.33
GP Ratio	18.63%	15.88%	17.83%	18.83%	21.34%
Net Profit after Tax	554.43	329.94	321.18	353.46	571.24
NP Ratio	6.08%	4.36%	5.28%	7.44%	10.43%

** for 9 months period*

Unit Cost Calculation

	2018-19	2017-18
Total COGS- in million Taka	7,419.62	6,358.04
(Less)Proportionate Cost of Yarn Export Sale- in million Taka	1,120.46	844.47
COGS for Fabric- in million Taka	6,299.16	5,513.57
Fabric Sold During the year in Yard- in million	44.13	39.14
Cost Per Yard of Fabric in Taka	142.74	140.87

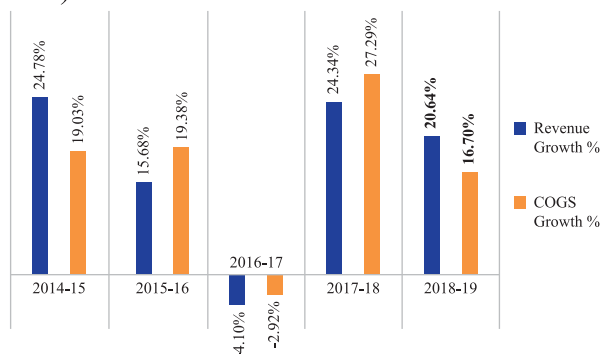
Comparative Cost analysis in Graph:



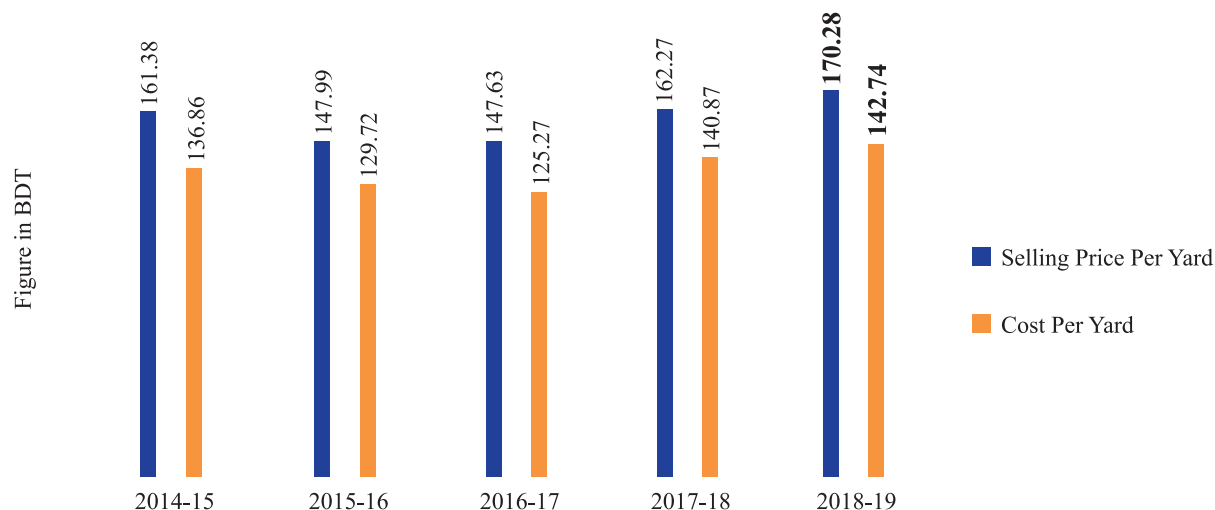


Revenue Growth Vs. COGS (all figures in million BDT)

Year	2018-19	2017-18	2016-17	2015-16	2014-15
Revenue	9,118.52	7,558.43	6,078.74	6,338.37	5,479.12
Revenue Growth Rate	20.64%	24.34%	(4.10%)	15.68%	24.78%
COGS	7,419.62	6,358.04	4,994.61	5,145.05	4,309.79
COGS Growth Rate	16.70%	27.29%	(2.92%)	19.38%	19.03%



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



Significant events relating to financial operating results

Revenue of the Company increased by 20.64% over previous financial year, driven by a considerable improvement in Direct Export, an increasing of sales revenue by attaching new buyers. The plant operated in optimum capacity, reached it's ever highest production of 44.71 million yard in the year 2018-19 at a utilization of 85.97% of its installed capacity. The direct export has increased by 19.80% over the previous year. Vietnam and Ethiopia are the two emerging market where the company newly penetrated in this year with the existing supply destination of more than 13 counties. Unit cost of production was slightly increased during the year because of upward raw material price in the market.

In last year, financial expenses have increased significantly by 33.40%, due to rise of interest rate on bank borrowings. Cost for electricity has also increased by 33.65% over the previous year due to electricity price hike. Net operating Cash Flow has improved significantly to Taka 2.58 per share from Taka 0.24 in the previous year in result of increasing the revenue.

Depreciation in absolute terms has increased by Taka 97.14 million during the year as compared to FY 17-18 because of accumulating assets against expansion project for enhancement of production capacity.

Other Expenses which include various manufacturing, marketing and administrative overheads has remained more or less same as that for FY 17-18 in absolute terms.

The net profit has increased by 68.04% to Taka 554.43 million, a satisfactory result as compared to previous year's profit.



MARKETING OPERATION

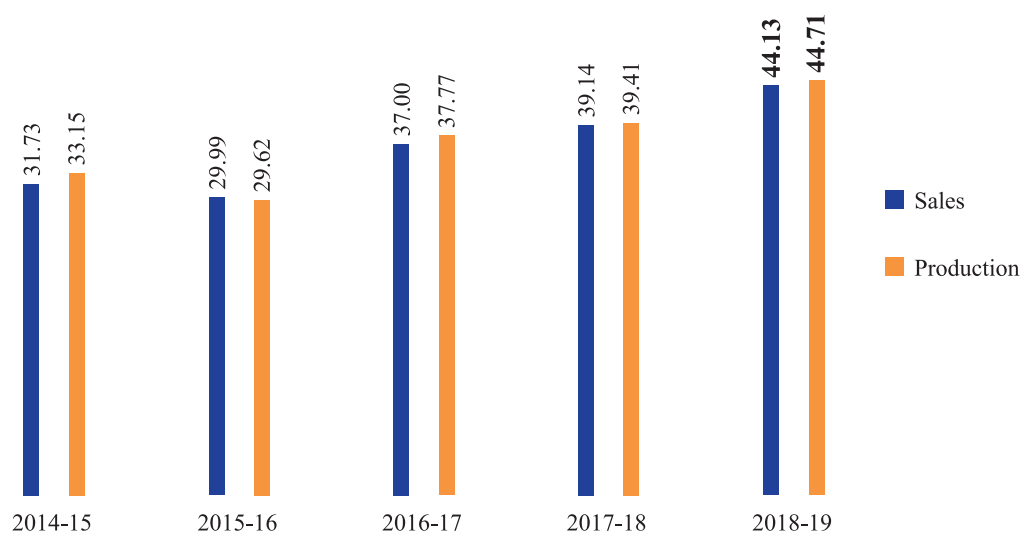
Sales of Fabrics

(in million yards)

	2018-19	2017-18	2016-17	*2015-16	2014-15
Deemed Export- Local RMG	32.40	30.14	30.30	23.72	24.72
Direct Export- International Market	9.31	3.77	2.55	4.10	5.08
Others Fabrics Sales	2.42	5.23	4.15	2.17	1.93
Total Sales of Fabrics	44.13	39.14	37.00	29.99	31.73

* for 9 months period

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



Selling Price Per Yard of Fabric in BDT

	2018-19	2017-18	2016-17	2015-16	2014-15
Deemed Export- Local RMG	171.42	173.60	154.23	152.10	156.43
Export/Direct International Market	193.96	164.01	168.23	165.48	166.92
Others Fabrics Sales	63.90	95.50	86.85	70.30	210.19
Weighted Average Selling Price per Yard	170.28	162.26	147.63	147.99	161.38

Fabrics Sales (In Million BDT)

	2018-19	2017-18	2016-17	*2015-16	2014-15
Deemed Export- Local RMG	5,554.05	5,232.39	4,672.84	3,607.19	3,867.52
Export- International Market	1,805.78	618.73	429.28	678.46	847.54
Others Fabrics Sales	154.65	500.01	360.56	152.55	406.21
Total Sales	7,514.48	6,351.13	5,462.68	4,438.20	5,121.27

* for 9 months period





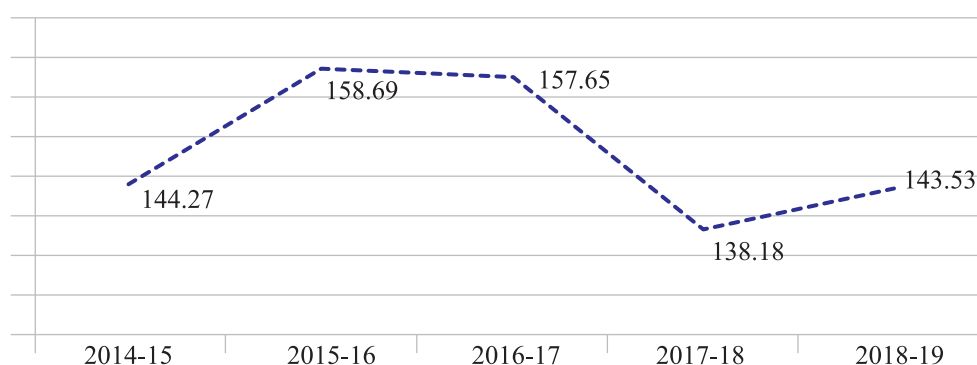
CONTRIBUTION TO NATIONAL EXCHEQUER

all figures in million BDT

	2018-19	2017-18	2016-17	*2015-16	2014-15
Coporate Income Tax	45.70	53.20	45.36	29.98	65.80
Advance Income Tax(TDS)	63.91	54.78	64.73	66.83	60.25
VAT	7.29	8.32	12.27	8.67	5.63
Import Duty	23.49	19.50	32.08	45.48	8.96
Stamp Duty	0.58	0.59	0.59	4.44	0.68
Licence Fees etc.	2.56	1.80	2.62	3.29	2.95
Total	143.53	138.18	157.65	158.69	144.27

* for 9 months period

National Exchequer



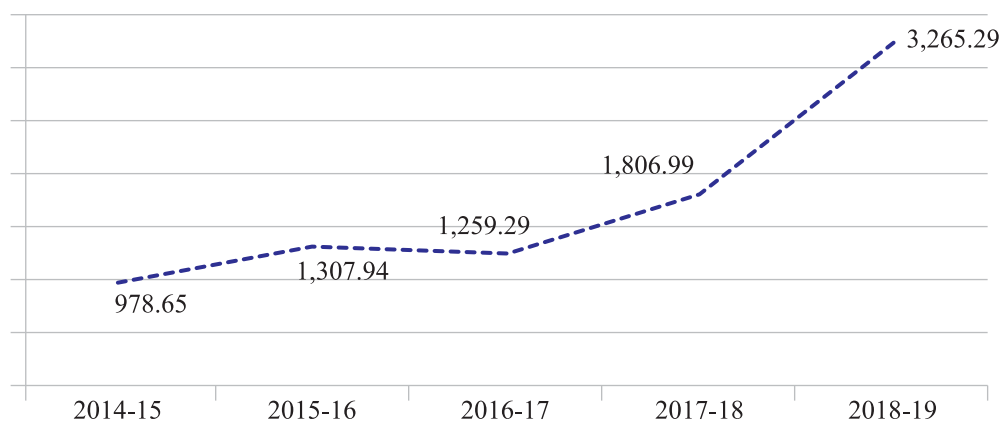
FOREIGN EXCHANGE EARNED/SAVED

all figures in million BDT

	2018-19	2017-18	2016-17	*2015-16	2014-15
Export Earnings	8,736.81	6,855.03	5,539.60	4,285.65	4,835.44
Import Cost:					
Raw Material Yarn	785.82	967.42	1,507.74	2,098.92	3,215.43
Raw Material Cotton	3,428.84	3,149.95	1,994.94	321.89	-
Raw Material Dyes & Chemical	1,181.27	856.24	686.56	497.45	563.78
Spare Parts	49.23	50.86	52.02	43.93	58.82
Miscellaneous	26.36	23.55	39.05	15.52	18.76
Total-	5,471.52	5,048.04	4,262.88	4,258.94	3,856.79
Net Export Earned/ Saved	3,265.29	1,806.99	1,259.29	1,307.94	978.65

* for 9 months period

Foreign Exchange Saved in Graph



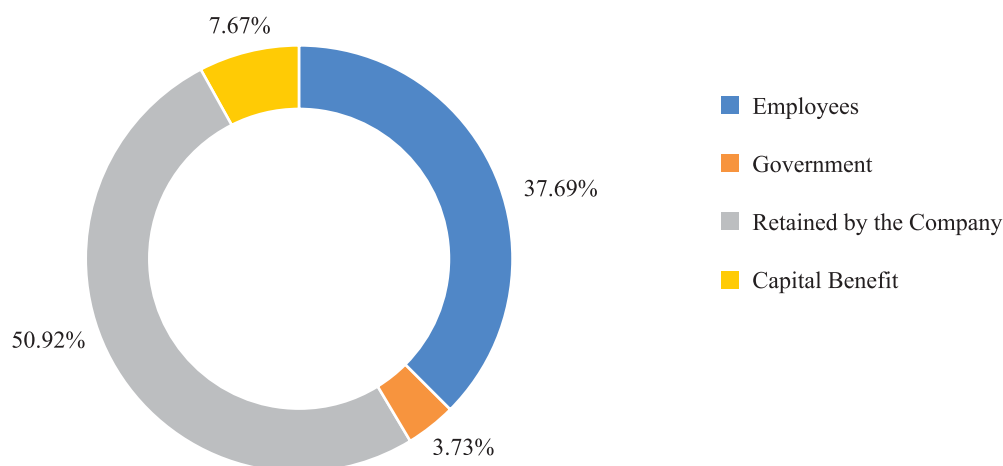


VALUE ADDED STATEMENT

all figures in million BDT

Particulars	Amount 30 June 2019	Amount 30 June 2018
Source of Fund:		
Net Sales Revenue	9,118.52	7,558.43
Less: Purchase of Raw Materials and Services	(6,983.93)	(5,848.03)
Other Income	2.13	1.36
Total	2,136.71	1,711.76
Application of Fund:		
Employees		
Salary, Wages and Other Benefits	772.59	657.62
Contribution to Workers Profit Participation Fund	32.64	17.88
	805.23	675.50
Government		
Corporate Income Tax	45.70	53.20
Other Government Duties	33.92	47.57
	79.62	100.77
Capital Benefit		
Cash Dividend	163.91	109.30
Retained by the Company		
Depreciation & Ammortization	697.43	605.56
Retained Earnings	390.52	220.63
	1,087.95	826.19
Total	2,136.71	1,711.76

Distribution of value addition in 2018-2019





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 2018-19
- h. There was no extra-ordinary gain or loss during the year 2018-19
- i. There were related party transactions during the year 2018-19, which are disclosed in note no. 33 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 2019, 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 2019, a total of Nineteen (19) 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 34.01 & 34.02 of the Financial Statements. The Directors of the Company, other than Independent Directors have forgone their meeting attendance fees for the year 2018-19

PROPOSED DIVIDEND

The Board recommended Cash Dividend @ 15% (i.e. Taka 1.50 per share of Taka 10.00 each) for the year ended 30 June 2019

STOCK DIVIDEND

The Board has not recommended Stock Dividend for the year ended 30 June 2019, 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 2018-19 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 2019	Tk. 554,427,270.00
b) Proposed Cash Dividend subject to deduction of Tax	Tk. 251,602,150.50
c) Profit carried forward	Tk. 302,825,119.50





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 24th Annual General Meeting:

Barrister Shehrin Salam Oishee,

Mrs. Sumayyah Ahmed, and

Mr. Ishmam 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 23rd 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 2019 at a remuneration of Tk.1,75,000.00 until the conclusion of 24th Annual General Meeting.

The existing Auditors have completed first 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 2019 proposed for reappointment of M/S Mahfel Huq & Co., Chartered Accounts to hold office for the period until conclusion of the 25th Annual General Meeting of the Company for auditing the accounts for the year ended 30 June 2020.

INDEPENDENT DIRECTOR APPOINTMENT

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 FCMA, FCS as an Independent Director for 3 years term in recommendation of Nomination and Remuneration Committee of the Board, subject to approval of the members of the Company at ensuing 24th Annual General Meeting.

Mr. Itrat Husain FCMA, FCS 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.

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.

He holds no shares in the Company.

APPOINTMENT OF PROFESSIONAL ACCOUNTANT/ SECRETARY

It is required to appoint a practicing Professional Accountant/ Secretary for conducting compliance audit for the year 2019-20 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 2019-2020 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 2019.

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. No further issue by any instrument was made during the reporting period.

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 2018-19 by which the interest of minority shareholders could be hampered.

STATUS OF ISSUANCE OF PREFERENCE SHARES

The Board has decided to issue and offer 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, subject to 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.



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 unswerving 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

Saturday, 12 October 2019

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.





Spinning Unit





এনভয় টেক্সটাইলস লিমিটেড শেয়ারহোল্ডারগণের প্রতি পরিচালনা পর্ষদের প্রতিবেদন

সম্মানিত শেয়ারহোল্ডারবৃন্দ :

পরিচালনা পর্ষদ আনন্দের সাথে ৩০ জুন ২০১৯ 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 ২০১৯ তারিখের প্রাতিষ্ঠানিক সুশাসন 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

বাংলাদেশের ডেনিম শিল্প বিশ্ববাজারে অন্যতম বৃহত্তম অবস্থানে পৌঁছতে যাচ্ছে। বিশ্বব্যাপী নামিদামী ক্রেতাগণ অধিকহারে বাংলাদেশ থেকে ডেনিম পণ্য আমদানীতে উৎসাহিত হওয়ার ফলশ্রুতিতে বঙ্গবন্ধু দ্বিতীয় বৃহত্তম রপ্তানীকারক দেশ হিসেবে বাংলাদেশ ডেনিমের বিশ্ব বাজারে নেতৃত্ব দিচ্ছে। বাংলাদেশ বর্তমানে ইউরোপীয় ইউনিয়নে শীর্ষস্থানে রয়েছে ও যুক্তরাষ্ট্রের বাজারে তৃতীয় বৃহত্তম রপ্তানীকারক দেশ। এ ছাড়াও চীন ও মেক্সিকোর পর যুক্তরাষ্ট্র বাজারে বাংলাদেশের উল্লেখযোগ্য পদচারণা ক্রমান্বয়ে বৃদ্ধি পাচ্ছে। অধিক উৎপাদন ক্ষমতা অর্জন ও পণ্য উৎপাদনের খরচ তুলনামূলকভাবে কম হওয়ায় বাংলাদেশের ডেনিম শিল্প সমৃদ্ধ হচ্ছে। জীয়েন মার্কেটের গবেষণা তথ্য অনুযায়ী, ২০১৮ সালে ডেনিম পণ্যের বাজার ছিল প্রায় ৬৬.০২ বিলিয়ন ডলার যা ২০২৫ সাল নাগাদ আনুমানিক ৮৫.৪ বিলিয়ন ডলারে পৌঁছাতে পারে বলে আশা করা হচ্ছে। বাংলাদেশ টেক্সটাইলস মিল্স এসোসিয়েশনের তথ্য মতে, বাংলাদেশ থেকে প্রতিবছর ২ বিলিয়ন ডলার সমমূল্যের ডেনিম পণ্য রপ্তানী হচ্ছে। বর্তমানে বাংলাদেশে ৩২টি ডেনিম শিল্প প্রতিষ্ঠান থেকে বছরে ৪৫০ মিলিয়ন গজ কাপড় উৎপাদিত হচ্ছে। এ খাতে মোট বিনিয়োগ ১ বিলিয়ন ডলার ছাড়িয়ে গেছে। বিশ্বের সব নামী-দামী ব্র্যান্ড প্রতিষ্ঠানের নিকট বাংলাদেশ থেকে ডেনিম পণ্য ও ফেব্রিক সরবরাহ হয়ে থাকে। সম্ভাবনা থাকা সত্ত্বেও এ শিল্পে কিছু প্রতিবন্ধকতা রয়েছে; অবকাঠামো হচ্ছে প্রধান প্রতিবন্ধকতা। এছাড়াও অপ্রতুল বন্দর সুবিধা, রেল ও সড়ক পথের অপরিপূর্ণতা, গ্যাস ও বিদ্যুৎ সংকট এবং গভীর সমুদ্র বন্দরের প্রয়োজনীয়তা প্রভৃতি বাংলাদেশের ডেনিম শিল্প উন্নয়নের অন্তরায়।

কোম্পানীর বিষয়াদির অবস্থা

এনভয় টেক্সটাইলস লিমিটেড বার্ষিক ৫২ মিলিয়ন গজ উৎপাদন ক্ষমতাসম্পন্ন বাংলাদেশে স্থাপিত প্রথম রোপ ডাইয়িং প্রযুক্তির শতভাগ রপ্তানীমুখী ডেনিম ফেব্রিক্স উৎপাদনকারী একটি প্রতিষ্ঠান। কোম্পানী ২০০৮ সালে বার্ষিক ১৬ মিলিয়ন গজ ডেনিম ফেব্রিক্স উৎপাদন ক্ষমতা নিয়ে বানিজ্যিক উৎপাদন শুরু করে এবং এযাবত সময়ে এ উৎপাদন ক্ষমতা তিনগুণে উন্নীত হয়েছে। এনভয় টেক্সটাইলস লিমিটেড লীড প্রাটিনাম স্কোরধারী 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 ফেব্রিক্স বর্তমানে সর্বোচ্চ বাৎসরিক প্রায় ৫০ মিলিয়ন গজ পর্যন্ত উৎপাদন করা সম্ভব। গবেষণা ও উৎকর্ষ সাধনের মাধ্যমে ফেব্রিক্সের গুণগত মান ও বৈচিত্র্য সৃষ্টি করে উন্নত বাজার দখল করাই কোম্পানীর অন্যতম লক্ষ্য। কারখানা প্রাঙ্গণের অভ্যন্তরে দৈনিক ৬৬ মেট্রিক টন সূতা উৎপাদনের ক্ষমতায় কোম্পানীর একটি নিজস্ব স্পিনিং প্ল্যান্ট স্থাপিত হয়েছে। ২০১৬ সালের শেষ নাগাদ এই কারখানা থেকে বানিজ্যিকভাবে সূতা উৎপাদন শুরু হয় এবং বর্তমানে দৈনিক গড়ে ৬৩ মেট্রিক টন সূতা উৎপাদিত হচ্ছে, যার সিংহভাগই মানসম্মত কোম্পানীর নিজস্ব ডেনিম ফেব্রিক্স উৎপাদনে ব্যবহৃত হয়।

বিগত ৫ বছরের উৎপাদন ক্ষমতার বিপরীতে প্রকৃত উৎপাদনের চিত্রঃ

বিবরণ	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	২০১৫-১৬	২০১৪-১৫
স্থাপিত উৎপাদন ক্ষমতা (মিলিয়ন গজে)	৫২.০০	৫০.০০	৫০.০০	৫০.০০	৫০.০০
প্রকৃত উৎপাদন (মিলিয়ন গজে)	৪৪.৭১	৩৯.৪১	৩৭.৭৭	*৩৯.৪৯	৩৩.১৫
ব্যবহৃত উৎপাদন ক্ষমতা (শতাংশে)	৮৫.৯৭	৭৮.৮২	৭৫.৫৪	৭৮.৯৯	৬৬.৩০
উৎপাদনে ব্যবহৃত লুম মেশিনের সংখ্যা	৩৮৪	৩৬৪	৩৬৪	৩১৪	৩১৪
স্পিনিং ইউনিট :					
স্থাপিত উৎপাদন ক্ষমতা (মিলিয়ন কেজি)	২২.০০	২১.০০	১৭.৫০	-	-
প্রকৃত উৎপাদন (মিলিয়ন কেজি)	১৯.৫৮	১৭.৫৬	১১.৩৬	-	-
ব্যবহৃত উৎপাদন ক্ষমতা (শতাংশে)	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 ফলস্বরূপে দেশীয় উৎপাদনকারীরা প্রতিযোগিতার সক্ষমতা হারাচ্ছে। অধিকন্তু, চট্টগ্রাম বন্দরে সৃষ্ট জটিলতার কারণে জাহাজ ভাড়া ও পণ্য গুণানামার খরচ সাম্প্রতিক সময়ে অনেক বৃদ্ধি পেয়েছে।

কোম্পানী এর নিম্নোক্ত বিভিন্ন ঝুঁকির বিষয়ে সজাগ রয়েছে এবং এসব ঝুঁকি মোকাবিলায় প্রয়োজনীয় নিয়ন্ত্রণমূলক ব্যবস্থাদীনে 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 ডলারের বিপরীতে দেশ দুটির স্থানীয় মুদ্রা অবমূল্যায়িত হওয়ায় আন্তর্জাতিক ক্রেতাদের নিকট এসব দেশ থেকে আমদানীকৃত ডেনিম পণ্যের মূল্য সাশ্রয় হচ্ছে। সূতা উৎপাদনকারী দেশ হওয়াতে এদেশ দুটির পণ্য উৎপাদন খরচ তুলনামূলক ভাবে কম থাকে। এছাড়াও পাকিস্তান ইউরোপীয় ইউনিয়নের বাজারে শুল্কমুক্ত পণ্য রপ্তানী সুবিধা পেয়েছে। অন্যদিকে চীনে ডেনিম পণ্যের উৎপাদন ব্যয় বৃদ্ধির ফলে আন্তর্জাতিক ক্রেতাররা অন্যান্য মূল্য সাশ্রয়ী দেশের পাশাপাশি বাংলাদেশমুখী হচ্ছে। এছাড়া বাংলাদেশের একটি সমৃদ্ধ তৈরী পোষাক 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 ঝুঁকে 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 ৩.০৬ থেকে ৪.০৬-এ বিস্তারিত উল্লেখ করা হয়েছে।

কাঁচামালের মূল্য তারতম্যজনিত ঝুঁকি:

যেহেতু ফেব্রুয়ারি 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 নগণ্য।

ব্যবসায়িক কার্যক্রমের দক্ষতা

রাজস্ব খাত

কোম্পানী বিভিন্ন প্রকারের শুধুমাত্র 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 ১৫ থেকে ২০ 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।

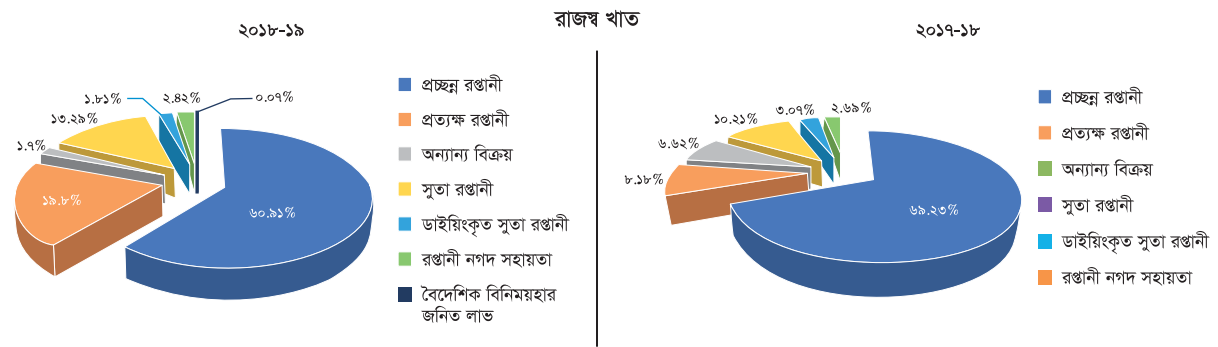
এছাড়া রপ্তানীমুখী স্থানীয় নীট ডেনিম প্রতিষ্ঠানের নিকট ডায়ংকৃত সূতা রপ্তানীর মাধ্যমেও সামান্য পরিমাণ রাজস্ব অর্জিত হয়ে থাকে।

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



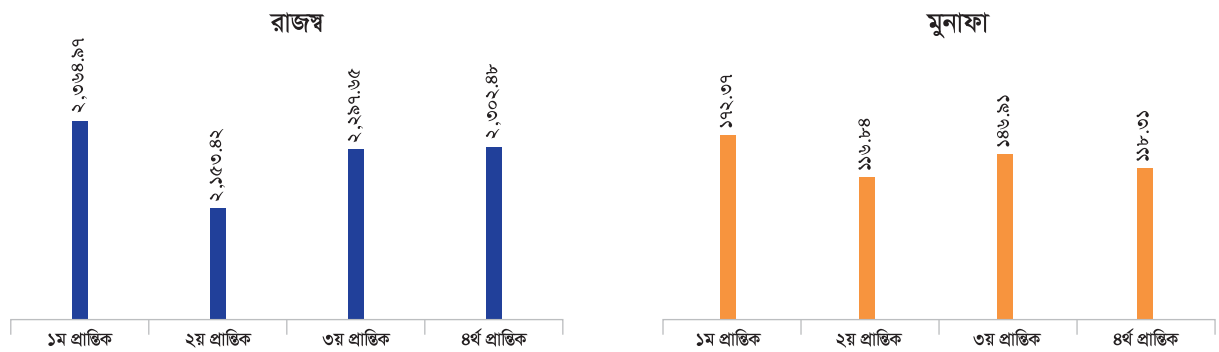
রাজস্বের খাতওয়ারী দক্ষতার সারসংক্ষেপ (সকল সংখ্যা মিলিয়ন টাকায়)

রাজস্বের খাত	২০১৮-১৯	শতাংশে	২০১৭-১৮	শতাংশে	+/- হ্রাস/বৃদ্ধি টাকায়	শতাংশে
প্রাচীন রপ্তানী	৫৫৫৪.০৫	৬০.৯১	৫,২৩২.৩৯	৬৯.২৩	৩২১.৬৬	৪.২৬
প্রত্যক্ষ রপ্তানী	১৮০৫.৭৮	১৯.৮০	৬১৮.৭৩	৮.১৮	১১৮৭.০৫	১৫.৭০
অন্যান্য ফেব্রিক্স বিক্রয়	১৫৪.৬৫	১.৭০	৫০০.০১	৬.৬২	(৩৪৫.৩৬)	(৪.৫৭)
সুতা রপ্তানী	১২১১.৭৩	১৩.২৯	৭৭১.৭৮	১০.২১	৪৩৯.৯৫	৫.৮২
ডাইয়িংকৃত সুতা রপ্তানী	১৬৫.২৬	১.৮১	২৩২.১৩	৩.০৭	(৬৬.৮৭)	(০.৮৮)
রপ্তানী নগদ সহায়তা	২২০.৭৯	২.৪২	২০৩.৩৯	২.৬৯	১৭.৪	০.২৩
বৈদেশিক মুদ্রার বিনিময়হার জনিত অর্জিত লাভ	৬.২৬	০.০৭	০	০	৬.২৬	০.০৮
মোট	৯১১৮.৫২	১০০	৭,৫৫৮.৪৩	১০০	১৫৬০.০৯	২০.৬৪



২০১৮-১৯ অর্থবছরের ত্রৈমাসিক ফলাফলঃ

বিবরণ	১ম প্রান্তিক	২য় প্রান্তিক	৩য় প্রান্তিক	৪র্থ প্রান্তিক	মোট
রাজস্ব আয় (মিলিয়ন টাকায়)	২,৩৬৪.৯৭	২,১৫৩.৪২	২,২৯৭.৬৫	২,৩০২.৪৮	৯,১১৮.৫২
প্রান্তিক হ্রাস-বৃদ্ধির হার	-	(৮.৯৫)	৬.৭০	০.২১	-
কর পরবর্তী নীট মুনাফা	১৭২.৩৭	১১৬.৮৪	১৪৬.৯১	১১৮.৩১	৫৫৪.৪৩
তুলনামূলক হ্রাস-বৃদ্ধির হার	-	(৩২.২২)	২৫.৭৪	(১৯.৪৭)	-



বছরজুড়ে ত্রৈমাসিক রাজস্ব আয়ের ক্ষেত্রে একটি স্থিতিশীল অবস্থা বিরাজমান ছিল। শুধুমাত্র দ্বিতীয় প্রান্তিকের রাজস্ব আয়ে কিছুটা নিম্নমুখীতা ছিল, যা মূলতঃ পণ্যের ঋতুগত চাহিদা হ্রাসের কারণে ছিল এবং এটি ধরনের পণ্যের ব্যবসার ক্ষেত্রে খুবই স্বাভাবিক একটি অবস্থা। সঙ্গত কারণেই, দ্বিতীয় প্রান্তিকে রাজস্বের নিম্নমুখীতার কারণে মুনাফা কিছুটা হ্রাস পেয়েছিল।

ত্রৈমাসিক ফলাফলে এছাড়া উল্লেখযোগ্য কোন পরিবর্তন পরিলক্ষিত হয়নি।





উৎপাদন ব্যয় বিশ্লেষণঃ

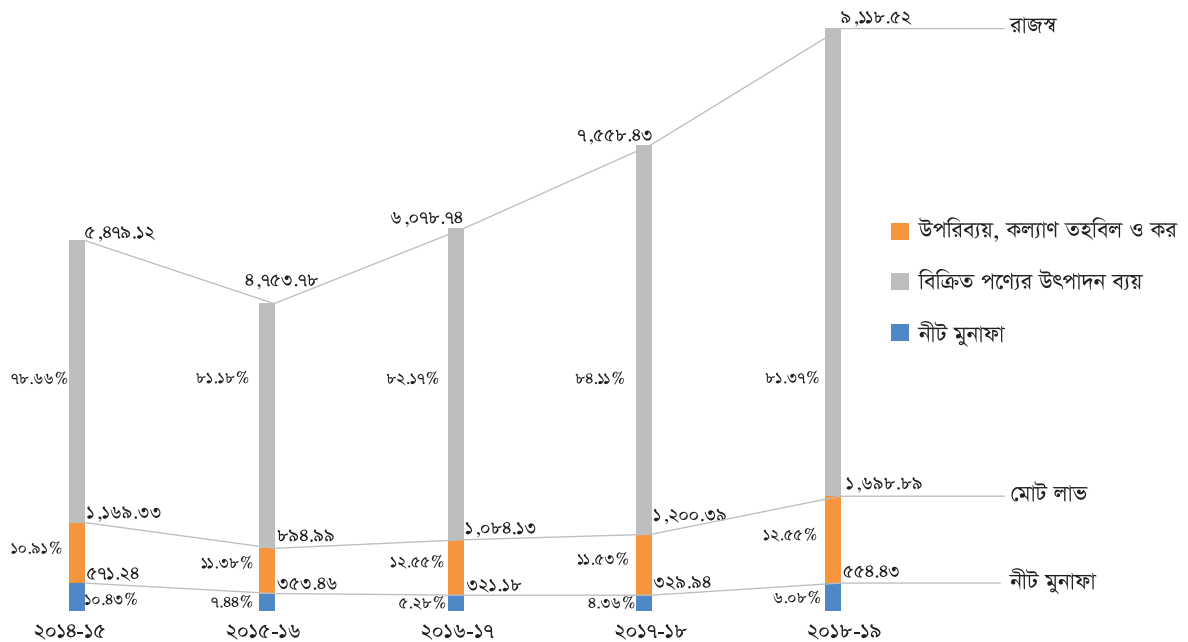
বিবরণ	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	*২০১৫-১৬	২০১৪-১৫
কাঁচামাল বাবদ ব্যয়	৫,৫৭০.৪৬	৪,৭৭৬.০৯	৩,৯২০.৯৪	২,৯২১.৪৪	৩,৬৭৫.৮৮
অন্যান্য উৎপাদন উপরিখরচ	২,০৪২.১৪	১,৬৯৯.৯৩	১,৪৮৩.৬৩	৯২০.৮৬	৮৬০.৬১
মোট উৎপাদন ব্যয়	৭,৬১২.৬০	৬,৪৭৬.০২	৫,৪০৪.৫৭	৩,৮৪২.৩০	৪,৫৩৬.৪৯
প্রতি গজের উৎপাদন ব্যয়	১৪২.৭৪	১৪০.৮৭	১২৫.২৭	১২৯.৭২	১৩৬.৮৬
উৎপাদন ব্যয়ে কাঁচামালের হার (শতাংশে)	৭৩.১৭	৭৩.৭৫	৭২.৫৫	৭৬.০৪	৮১.০৩
বিক্রিত পণ্যের উৎপাদন ব্যয়	৭,৪১৯.৬২	৬,৩৫৮.০৪	৪,৯৯৪.৬১	৩,৮৫৮.৭৯	৪,৩০৯.৭৯
রাজস্ব আয়	৯,১১৮.৫২	৭,৫৫৮.৪৩	৬,০৭৮.৭৪	৪,৭৫৩.৭৮	৫,৪৭৯.১২
বিক্রয় মূল্যের তুলনায় ক্রয় মূল্যের হার (শতাংশে)	৮১.৩৭	৮৪.১১	৮২.১৭	৮১.১৮	৭৮.৬৬
মোট লাভ	১,৬৯৮.৮৯	১,২০০.৩৯	১,০৮৪.১৩	৮৯৪.৯৯	১,১৬৯.৩৩
মোট মুনাফা হার	১৮.৬৩%	১৫.৮৮%	১৭.৮৩%	১৮.৮৩%	২১.৩৪%
কর পরবর্তী নীট মুনাফা	৫৫৪.৪৩	৩২৯.৯৪	৩২১.১৮	৩৫৩.৪৬	৫৭১.২৪
নীট মুনাফা হার	৬.০৮%	৪.৩৬%	৫.২৮%	৭.৪৪%	১০.৪৩%

* ৯ মাসের হিসাব

উৎপাদন ব্যয় নির্ণয়ঃ

	২০১৮-১৯	২০১৭-১৮
মোট বিক্রিত পণ্যের উৎপাদন ব্যয়- মিলিয়ন টাকায়	৭,৪১৯.৬২	৬,৩৫৮.০৪
(বাদ) সুতা রপ্তানির সমানুপাতিক ব্যয়- মিলিয়ন টাকায়	১,১২০.৪৬	৮৪৪.৪৭
ফেব্রিক্স বিক্রিত পণ্যের উৎপাদন ব্যয়	৬,২৯৯.১৬	৫,৫১৩.৫৭
বহুরব্যাপী ফেব্রিক্স বিক্রয় (মিলিয়ন গজে)	৪৪.১৩	৩৯.১৪
প্রতিগজ ফেব্রিক্সের উৎপাদন খরচ (টাকায়)	১৪২.৭৪	১৪০.৮৭

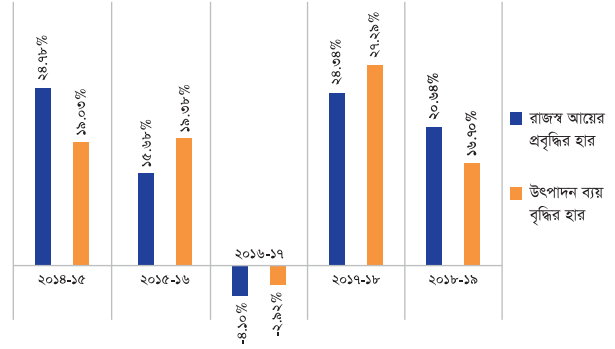
বিগত ৫ বছরের রাজস্ব আয়ের তুলনায় বিক্রিত পণ্যের উৎপাদন ব্যয়, উপরিব্যয় ও নীট মুনাফা হারের তুলনামূলক পর্যালোচনাঃ



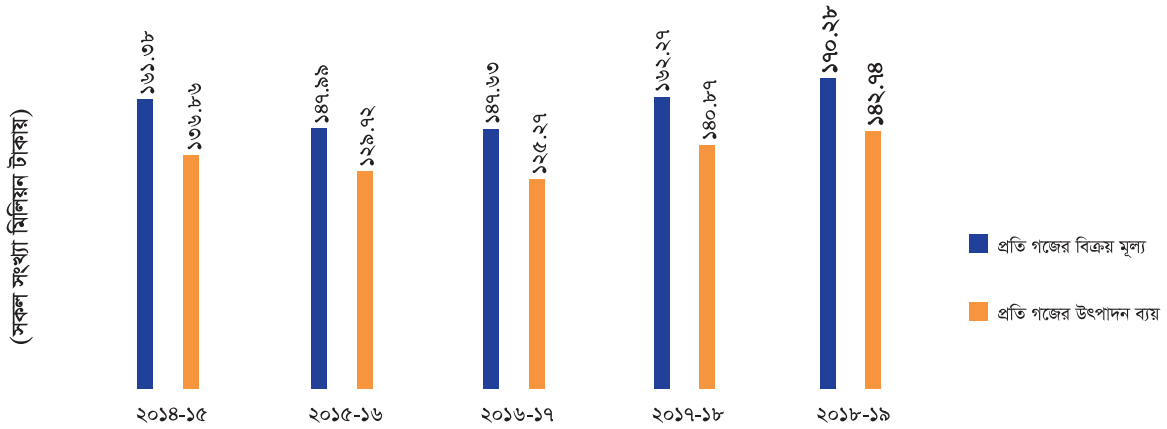


রাজস্ব আয়ের বিপরীতে উৎপাদন ব্যয় (সকল সংখ্যা মিলিয়ন টাকায়)

	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	২০১৫-১৬	২০১৪-১৫
রাজস্ব আয়	৯,১১৮.৫২	৭,৫৫৮.৪৩	৬,০৭৮.৭৪	৬,৩৩৮.৩৭	৫,৪৭৯.১২
রাজস্ব আয়ের প্রবৃদ্ধির হার	২০.৬৪%	২৪.৩৪%	(৪.১০%)	১৫.৬৮%	২৪.৭৮%
বিক্রিত পণ্যের উৎপাদন ব্যয়	৭,৪১৯.৬২	৬,৩৫৮.০৪	৪,৯৯৪.৬১	৫,১৪৫.০৫	৪,৩০৯.৭৯
উৎপাদন ব্যয় বৃদ্ধির হার	১৬.৭০%	২৭.২৯%	(২.৯২%)	১৯.৩৮%	১৯.০৩%



প্রতি গজ ফেব্রিক্সের গড় বিক্রয়মূল্যের বিপরীতে উৎপাদনব্যয়ের গত ৫ বছরের চিত্রঃ



পরিচালনগত আর্থিক ফলাফলে প্রভাব বিস্তারকারী গুরুত্বপূর্ণ বিষয়সমূহ :

গত বছরের তুলনায় রাজস্ব এ বছর ২০.৬৪ শতাংশ বৃদ্ধি পেয়েছে; নতুন ক্রেতাদের নিকট প্রত্যক্ষ রপ্তানীর মাধ্যমে বিক্রয় বৃদ্ধি মূলতঃ এ রাজস্ব বৃদ্ধিতে অগ্রণী ভূমিকা ছিল। এ বছর উৎপাদন ক্ষমতার সর্বোচ্চ ব্যবহার নিশ্চিত করে ৪৪.৭১ মিলিয়ন গজ ফেব্রিক্স উৎপাদন করা সম্ভব হয়েছে, যেটি স্থাপিত ক্ষমতার ৮৫.৯৭ শতাংশ ছিল। প্রত্যক্ষ রপ্তানী গত বছরের তুলনায় এ বছর ১৯.৮০ শতাংশ বৃদ্ধি পেয়েছে। বিদ্যমান ১৩টিরও অধিক দেশে রপ্তানীর পাশাপাশি এ বছর উদীয়মান ভিয়েতনাম ও ইথিওপিয়ার বাজারে কোম্পানী ফেব্রিক্স রপ্তানী শুরু করেছে। আন্তর্জাতিক বাজারে ফেব্রিক্সের কাঁচামালের মূল্য কিছুটা বৃদ্ধি পাওয়ায় ফেব্রিক্সের উৎপাদন ব্যয় সামান্য বেড়েছে।

ব্যাংক সুদের হার বৃদ্ধি পাওয়ায় গত বছরের তুলনায় এ বছর ব্যাংক ঋণ ও চলতি মূলধন বাবদ আর্থিক খরচ ৩৩.৪০ শতাংশ বৃদ্ধি পেয়েছে; বিদ্যুৎ খরচ বৃদ্ধি পেয়েছে ৩৩.৬৫ শতাংশ।

নগদ রাজস্ব বৃদ্ধির প্রভাবে এ বছর শেয়ার প্রতি নগদ প্রবাহ দৃশ্যমান বৃদ্ধি পেয়ে ২.৫৮ টাকায় দাঁড়ায়, যা গত বছরে ছিল মাত্র শেয়ার প্রতি ০.২৪ টাকা।

উৎপাদন ক্ষমতা বৃদ্ধির জন্য মূলধনী ব্যয়ের বিপরীতে অর্জিত সম্পদের উপর অবচয়ভাতা গত বছরের তুলনায় এ বছর ৯৭.১৪ মিলিয়ন টাকা বৃদ্ধি পেয়েছে।

অন্যান্য উপরিব্যয় গত বছরের তুলনায় স্থিতিশীল ছিল।

এ বছর একটি সন্তোষজনক নীট মুনাফা অর্জিত হয়েছে, যা গত বছরের তুলনায় ৬৮.০৪ শতাংশ বেশী।

বিপণন কার্যক্রম

ফেব্রিক্স বিক্রয়ের পরিমাণ (মিলিয়ন গজে):

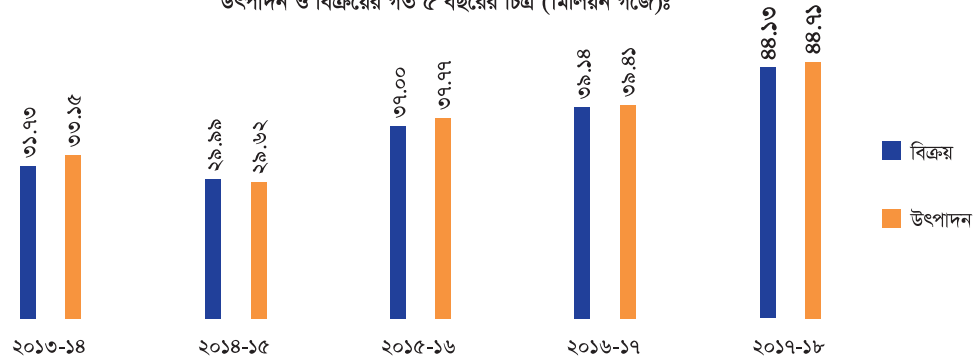
বিবরণ	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	*২০১৫-১৬	২০১৪-১৫
প্রচ্ছন্ন রপ্তানী	৩২.৪০	৩০.১৪	৩০.৩০	২৩.৭২	২৪.৭২
প্রত্যক্ষ রপ্তানী	৯.৩১	৩.৭৭	২.৫৫	৪.১০	৫.০৮
অন্যান্য ফেব্রিক্স বিক্রয়	২.৪২	৫.২৩	৪.১৫	২.১৭	১.৯৩
মোট ফেব্রিক্স বিক্রয়	৪৪.১৩	৩৯.১৪	৩৭.০০	২৯.৯৯	৩১.৭৩

* ৯ মাসের হিসাব





উৎপাদন ও বিক্রয়ের গত ৫ বছরের চিত্র (মিলিয়ন গজে):



প্রতি গজ ফেব্রিক্সের বিক্রয় মূল্য (টাকায়):

	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	২০১৫-১৬	২০১৪-১৫
প্রচ্ছন্ন রপ্তানী	১৭১.৪২	১৭৩.৬০	১৫৪.২৩	১৫২.১০	১৫৬.৪৩
প্রত্যক্ষ রপ্তানী	১৯৩.৯৬	১৬৪.০১	১৬৮.২৩	১৬৫.৪৮	১৬৬.৯২
অন্যান্য ফেব্রিক্স বিক্রয়	৬৩.৯০	৯৫.৫০	৮৬.৮৫	৭০.৩০	২১০.১৯
প্রতি গজ ফেব্রিক্সের গড় বিক্রয় মূল্য	১৭০.২৮	১৬২.২৬	১৪৭.৬৩	১৪৭.৯৯	১৬১.৩৮

বিক্রয়ের পরিমাণ (মিলিয়ন টাকায়):

	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	*২০১৫-১৬	২০১৪-১৫
প্রচ্ছন্ন রপ্তানী	৫,৫৫৪.০৫	৫,২৩২.৩৯	৪,৬৭২.৮৪	৩,৬০৭.১৯	৩,৮৬৭.৫২
প্রত্যক্ষ রপ্তানী	১,৮০৫.৭৮	৬১৮.৭৩	৪২৯.২৮	৬৭৮.৪৬	৮৪৭.৫৪
অন্যান্য ফেব্রিক্স বিক্রয়	১৫৪.৬৫	৫০০.০১	৩৬০.৫৬	১৫২.৫৫	৪০৬.২১
মোট বিক্রয়ের পরিমাণ	৭,৫১৪.৪৮	৬,৩৫১.১৩	৫,৪৬২.৬৮	৪,৪৩৮.২০	৫,১২১.২৭

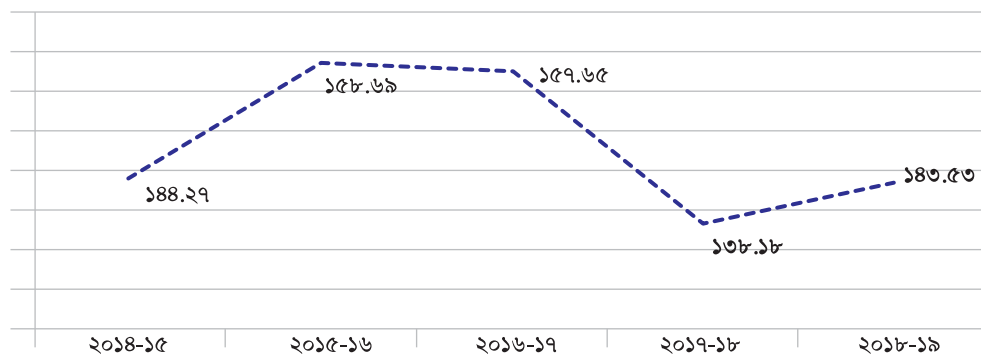
* ৯ মাসের হিসাব

জাতীয় কোষাগারে অবদান (মিলিয়ন টাকায়):

	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	*২০১৫-১৬	২০১৪-১৫
কর্পোরেট আয়কর	৪৫.৭০	৫৩.২০	৪৫.৩৬	২৯.৯৮	৬৫.৮০
অগ্রীম আয়কর (উৎস হতে কর্তন)	৬৩.৯১	৫৪.৭৮	৬৪.৭৩	৬৬.৮৩	৬০.২৫
ভ্যাট	৭.২৯	৮.৩২	১২.২৭	৮.৬৭	৫.৬৩
আমদানী শুল্ক	২৩.৪৯	১৯.৫০	৩২.০৮	৪৫.৪৮	৮.৯৬
স্ট্যাম্প শুল্ক	০.৫৮	০.৫৯	০.৫৯	৪.৪৪	০.৬৮
লাইসেন্স ফি ইত্যাদি	২.৫৬	১.৮০	২.৬২	৩.২৯	২.৯৫
মোট টাকার পরিমাণ	১৪৩.৫৩	১৩৮.১৮	১৫৭.৬৫	১৫৮.৬৯	১৪৪.২৭

* ৯ মাসের হিসাব

জাতীয় কোষাগারে অবদানের গ্রাফচিত্র





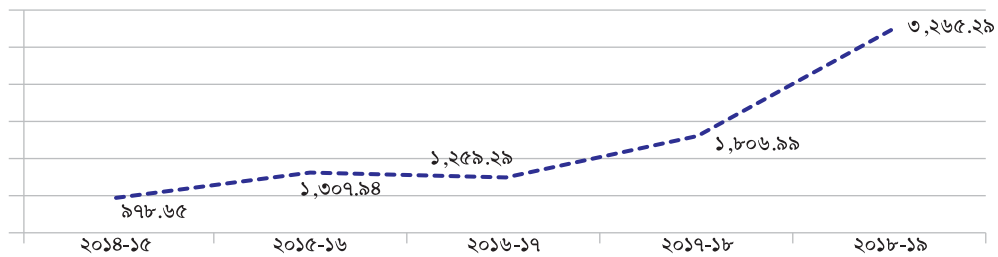
অর্জিত/সঞ্চিত বৈদেশিক মুদ্রাঃ

(সকল সংখ্যা মিলিয়ন টাকায়)

	২০১৮-১৯	২০১৭-১৮	২০১৬-১৭	*২০১৫-১৬	২০১৪-১৫
মোট রপ্তানী আয়	৮,৭৩৬.৮১	৬,৮৫৫.০৩	৫,৫৩৯.৬০	৪,৩৬৭.৬১	৪,৮৩৫.৪৪
বাদ: আমদানী খরচ সমূহ-					
কাঁচামাল - সুতা	৭৮৫.৮২	৯৬৭.৪২	১,৫০৭.৭৪	২,০৯৮.৯২	৩,২১৫.৪৩
তুলা	৩,৪২৮.৮৪	৩,১৪৯.৯৫	১,৯৯৪.৯৪	৩২১.৮৯	-
কাঁচামাল - ডাইস এবং কেমিক্যাল	১,১৮১.২৭	৮৫৬.২৪	৬৮৬.৫৬	৪৯৭.৪৫	৫৬৩.৭৮
খুচরা যন্ত্রাংশ	৪৯.২৩	৫০.৮৬	৫২.০২	৪৩.৯৩	৫৮.৮২
বিবিধ	২৬.৩৬	২৩.৫৫	৩৯.০৫	১৭.৬৪	১৮.৭৬
মোট	৫,৪৭১.৫২	৫,০৪৮.০৪	৪,২৬২.৮৮	৪,২৫৮.৯৪	৩,৮৫৬.৭৯
নীট রপ্তানী আয় / সঞ্চয়	৩,২৬৫.২৯	১,৮০৬.৯৯	১,২৭৬.৭২	১,০০৭.২০	৯৭৮.৬৫

* ৯ মাসের হিসাব

অর্জিত/সঞ্চিত বৈদেশিক মুদ্রার গ্রাফচিত্র

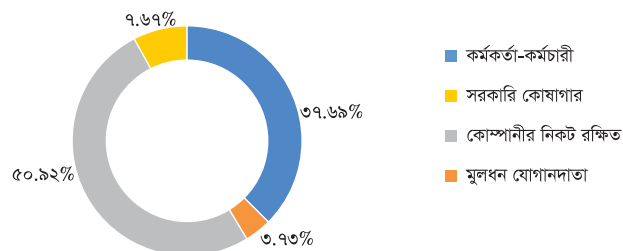


মূল্য সংযোজন বিবরণীঃ

(সকল সংখ্যা মিলিয়ন টাকায়)

বিবরণী	৩০ জুন ২০১৯ টাকা	৩০ জুন ২০১৮ টাকা
অর্থের উৎসসমূহঃ		
নীট বিক্রয়	৯,১১৮.৫২	৭,৫৫৮.৪৩
বাদ: উপকরণ ও সেবামূল্য	(৬,৯৮৩.৯৩)	(৫,৮৪৮.০৩)
যোগ: অন্যান্য আয়	২.১৩	১.৩৬
সর্বমোট টাকা	২,১৩৬.৭১	১,৭১১.৭৬
সংযোজিত মূল্যের প্রয়োগঃ		
কর্মকর্তা-কর্মচারী		
বেতন, মজুরী এবং অন্যান্য সুবিধাদি	৭৭২.৫৯	৬৫৭.৬২
মুনাফার অংশ ও কল্যাণ তহবিল	১৭.৮৮	১৭.৮৮
	৮০৫.২৩	৬৭৫.৫০
সরকারী কোষাগারঃ		
কর্পোরেট আয়কর	৪৫.৭০	৫৩.২০
অন্যান্য সরকারী পাওনা	৩৩.৯২	৪৭.৫৭
	৭৯.৬২	১০০.৭৭
মূলধন যোগানদাতাঃ		
লভ্যাংশ	১৬৩.৯১	১০৯.৩০
কোম্পানীর নিকট রক্ষিতঃ		
অবচয়	৬৯৭.৪৩	৬০৫.৫৬
অবনতিত মুনাফা	৩৯০.৫২	২২০.৬৩
	১,০৮৭.৯৫	৮২৬.১৯
সর্বমোট টাকা	২,১৩৬.৭১	১,৭১১.৭৬

মূল্য সংযোজন বন্টনের চিত্র : ২০১৮-২০১৯





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। ২০১৮-১৯ অর্থবছরে প্রদর্শিত প্রান্তিক আর্থিক ফলাফল সমূহের সাথে বাৎসরিক আর্থিক ফলাফলের উল্লেখযোগ্য অসংগতি ছিল না।
- জ। ২০১৮-১৯ অর্থবছরে কোন প্রকার অসাধারণ প্রকৃতির আয় কিংবা লোকসান ছিল না।
- ঝ। ২০১৮-১৯ অর্থ বছরের স্বার্থ সংশ্লিষ্ট লেনদেনসমূহ বার্ষিক হিসাব বিবরণীর ৩৩নং 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 নিরূপণ 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 ২০১৯ সমাপ্ত বছর সময়কালের মধ্যে সর্বমোট ১৯টি পরিচালকমণ্ডলীর সভা অনুষ্ঠিত হয়; উক্ত সভা সমূহে পরিচালকদের উপস্থিতির সারসংক্ষেপ চিত্র Annexure-IV আকারে এ প্রতিবেদনের সাথে সংযুক্ত হয়েছে। পরিচালকদের সম্মানী আর্থিক প্রতিবেদনের ৩৪.০১ ও ৩৪.০২ নং পদটীকায় উল্লেখ করা হয়েছে। স্বাধীন পরিচালকদ্বয় ব্যতিত অন্য সকল পরিচালকগণ তাঁদের বোর্ড সভায় উপস্থিতি বাবদ ভাতা পরিহার করেছেন।

প্রস্তাবিত লভ্যাংশ

পরিচালকমণ্ডলীর সভায় ৩০শে জুন ২০১৯ সালের সমাপ্ত বছরের জন্য ১৫ শতাংশ হারে নগদ লভ্যাংশ (১০ টাকা মূল্যের প্রতি শেয়ারে জন্য ১.৫০ টাকা) প্রদানের প্রস্তাব করা হয়েছে।

স্টক লভ্যাংশ

একটি সমৃদ্ধ শেয়ার প্রতি আয় অর্জনের ধারাবাহিকতা বিবেচনায় বোর্ড সভা ৩০শে জুন ২০১৯ সালের সমাপ্ত বছরের জন্য কোনরূপ স্টক লভ্যাংশ ঘোষণা করেনি। এছাড়া এ অর্থ বছরের কোনরূপ অন্তর্বর্তীকালীন স্টক লভ্যাংশও ঘোষণা করা হয়নি।





মুনাফার বন্টন

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

ক) ৩০শে জুন ২০১৯ সালের সমাপ্ত বছরের কর পরবর্তী নীট মুনাফা	৫৫৪,৪২৭,২৭০.০০ টাকা
খ) প্রস্তাবিত নগদ লভ্যাংশ	২৫১,৬০২,১৫০.৫০ টাকা
গ) সংরক্ষিত মুনাফা	৩০২,৮২৫,১১৯.৫০ টাকা

পরিচালকদের পুনঃনিয়োগ

কোম্পানীর সংঘবিধির ১২৫ ধারা অনুযায়ী নিম্নোক্ত পরিচালকগণ অনুর্তে ২৪তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন:

(১) ব্যারিস্টার শেহরিন সালাম ঐশী, (২) মিসেস সুমাইয়া আহমেদ এবং (৩) জনাব ইশমাম 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 আত্মহী পরিচালকগণের সংক্ষিপ্ত জীবন বৃত্তান্ত Annexure-V হিসেবে সংযুক্ত করা হয়েছে।

নিরীক্ষকের পুনঃ নিয়োগ

২৩তম বার্ষিক সাধারণ সভায় মেসার্স মাহফিল এন্ড কোম্পানী, চার্টার্ড একাউন্টেন্টকে ১,৭৫,০০০.০০ (এক লক্ষ পঁচাত্তর হাজার) টাকা সম্মানীতে ৩০শে জুন, ২০১৯ তারিখে সমাপ্ত বছরের হিসাব নিরীক্ষার জন্য কোম্পানীর নিরীক্ষক হিসেবে ২৪তম বার্ষিক সাধারণ সভার সমাপ্তির সময়কাল সময়ের জন্য নিয়োগদান করা হয়।

বর্তমান অডিটর তাঁদের প্রথম বছরের নিয়োগ পূর্ণ করেছেন। স্টক এক্সচেঞ্জ রেগুলেশন ও বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশনা মোতাবেক তাঁরা পুনঃ নিয়োগযোগ্য বিধায় বর্ধিত সম্মানীতে দ্বিতীয় মেয়াদে নিয়োগ পেতে বর্তমান অডিটর আত্মহী প্রকাশ করেছেন। অডিট কমিটির সুপারিশের প্রেক্ষিতে, মেসার্স মাহফিল এন্ড কোম্পানী, চার্টার্ড একাউন্টেন্ট কে ৩০শে জুন, ২০২০ তারিখে সমাপ্ত বছরের কোম্পানির হিসাব নিরীক্ষার জন্য গত ১২ই অক্টোবর ২০১৯ তারিখে অনুষ্ঠিত বোর্ড সভায় পরিচালক পর্ষদ তাঁদেরকে ২৫তম বার্ষিক সাধারণ সভার সমাপ্তির সময়কাল সময়ের জন্য কোম্পানীর নিরীক্ষক হিসেবে পুনঃ নিয়োগদানের প্রস্তাব করেছেন।

স্বাধীন পরিচালক নিয়োগ

কোম্পানীর একজন স্বাধীন পরিচালক জনাব শেখ বশির আহমেদ ২০১৩ সালে স্বাধীন পরিচালক হিসেবে ১ম তিন বছর মেয়াদে নিযুক্ত হন। পরবর্তীতে সুশাসন পরিপালন কোড সংক্রান্ত বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন অনুযায়ী ২য় মেয়াদে পুনঃ নিয়োগ পান। তিনি ১১ মে ২০১৯ তারিখে মেয়াদ উত্তীর্ণ হন। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের এ সংক্রান্ত বিধানমতে তিনি পুনঃ নিয়োগের জন্য উপযুক্ত নন বিধায়, নমিনেশন এন্ড রিমুনারেশন কমিটির সুপারিশক্রমে, ০৩ জুলাই ২০১৯ তারিখে অনুষ্ঠিত বোর্ড সভায় জনাব ইতরাত হুসাইন এফসিএমএ, এফসিএস কে স্বাধীন পরিচালক হিসেবে নিয়োগ দেওয়া হয়; যা অনুষ্ঠিতব্য ২৪তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য উপস্থাপন করা হবে।

জনাব ইতরাত হুসাইনের দুটি বহুজাতিক কোম্পানিতে ১১ বছরসহ এশিয়া ও ইউরোপের স্বনামধন্য পাবলিক ও প্রাইভেট কোম্পানীর আর্থিক ব্যবস্থাপনা, উৎপাদন ও ক্রয়-বিক্রয় সংক্রান্ত কর্পোরেট ম্যানেজমেন্টে উচ্চ পদে ৪১ বছরের কাজ করার অভিজ্ঞতা রয়েছে।

জনাব ইতরাত হুসাইন ইন্সটিটিউট অব চার্টার্ড সেক্রেটারীজ অব বাংলাদেশ (আইসিএসবি) এর একজন ফেলো সদস্য। তিনি আইসিএসবি ২০০৭-২০০৮ মেয়াদের প্রাক্তন সভাপতি।

জনাব ইতরাত হুসাইন ১৯৮১ সালে যুক্তরাজ্য থেকে CIMA কোর্স সম্পন্ন করেন। তিনি আইসিএমএবির একজন ফেলো সদস্য।

তিনি দেশ বিদেশে বহু প্রশিক্ষণ কর্মসূচি ও ওয়ার্কশপে অংশগ্রহণ করেছেন। তিনি আইসিএসবি-এর একজন ফ্যাকাণ্ডি মেম্বর হিসেবে দ্বায়িত্বেরতের পাশাপাশি নিয়মিত প্রশিক্ষণ কর্মসূচির আয়োজন করেন। তিনি IFC কর্তৃক একজন সনদপ্রাপ্ত প্রশিক্ষক।

ভ্রমণপিপাসু জনাব ইতরাত বিশ্বের তেত্রিশটির অধিক দেশ ভ্রমণ করেছেন। তিনি একজন রোটোরিয়ান এবং দেশের বিভিন্ন দাতব্য ও সাংস্কৃতিক কর্মকাণ্ডের সঙ্গে জড়িত।

পেশাজীবী হিসাব রক্ষক/সচিব নিয়োগ

প্রাতিষ্ঠানিক সুশাসনের দক্ষতা নিশ্চিতকল্পে এ সম্পর্কিত বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের বিধানমতে ২০১৯-২০ সালের জন্য একটি পেশাজীবী হিসাবরক্ষক / সচিব ফর্মকে নিয়োগদান আবশ্যিক।

এ নিরীক্ষক ফর্ম প্রাতিষ্ঠানিক সুশাসনের উপর নিরীক্ষাপূর্বক একটি প্রত্যাশনপত্র শেয়ারহোল্ডারদের নিকট পেশ করবেন।

আগামী ২০১৯-২০ অর্থবছরের জন্য মেসার্স আর্টিজান, চার্টার্ড একাউন্টেন্ট ফর্মকে নিয়োগদানের জন্য অডিট কমিটির সুপারিশের প্রেক্ষিতে বোর্ড কর্তৃক প্রস্তাব করা হয়। বোর্ডের প্রস্তাব ২৪তম 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/CMRRCD/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 আর্টিসান, চার্টার্ড একাউন্টেন্ট কে কোম্পানীর সুশাসন পরিপালন সংক্রান্ত নিরীক্ষাকার্য সম্পাদনের নিমিত্তে ৩০শে জুন ২০১৯ 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। প্রতিবেদনের অর্থবছরে কোন মূলধন সংগ্রহ করা হয়নি।

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। ২০১৮-১৯ 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 প্রেসমেন্টের মাধ্যমে সংগ্রহ করা হবে।

উক্ত প্রেফারেন্স শেয়ার বাৎসরিক সমকিস্তিতে লভ্যাংশসহ পূর্ণ ফেরত যোগ্য হবে।

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 স্বত্ত্বেও 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 এক্সচেঞ্জদ্বয়, 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





ANNEXURE





Annexure to the Directors' Report

Annexure I

Key operating and financial data:

figures in million BDT, except mentioned in otherwise

Particulars	2018-19	2017-18	2016-17	*2015-16	2014-15
Revenue	9,118.51	7,558.43	6,078.74	4,753.78	5,479.12
Cost of Goods sold	7,419.62	6,358.04	4,994.61	3,858.79	4,309.79
Gross Profit	1,698.89	1,200.39	1,084.13	894.99	1,169.33
Operating Expenses	290.58	282.92	271.94	210.26	223.61
Financial Expenses	725.02	534.48	444.85	271.86	279.11
Operating Income	683.29	382.99	367.34	412.87	666.61
Other Income/Loss	2.13	1.36	1.38	2.27	2.28
Net Profit before WPPF	685.42	375.35	368.71	415.14	668.89
Contribution to WPPF	32.64	17.87	17.56	19.77	31.85
Net Profit before Tax	652.78	357.48	351.16	395.37	637.04
Provision for Income Tax	98.35	27.54	29.98	41.91	65.80
Net Profit after Tax	554.43	329.94	321.18	353.46	571.24
Gross Profit %	18.63	15.88%	17.83%	18.83%	21.34%
Net Profit %	6.08	4.36%	5.28%	7.44%	10.43%
Numbers of Share Outstanding	167.73	164.44	156.61	152.05	144.81
Face Value in Taka	10.00	10.00	10.00	10.00	10.00
Total Assets	17,791.62	17,464.64	16,060.34	14,213.49	11,730.31
Total Fixed Assets	11,050.62	11,165.18	10,770.97	10,189.31	7,843.27
Total Current Assets	6,741.00	6,299.46	5,289.36	4,024.17	3,887.03
Total Long Term Liability	5,089.03	4,465.96	3,802.93	3,780.82	2,009.30
Total Short Term Liability	6,269.32	6,747.46	6,226.51	4,540.48	3,915.95
Shareholders' Equity	6,433.26	6,251.20	6,030.90	5,892.18	5,805.06
Current Ratio	1 : 1.08	1 : 0.93	1 : 0.85	1 : 0.89	1 : 0.99
Net Asset Value (NAV)-in Taka	38.35	38.01	38.51	38.75	40.09
Net Operating Cash Flows Per Share in Taka	2.58	0.24	(2.00)	1.04	2.08
Earnings Per Share (EPS) in Taka	3.31	2.01	2.05	2.32	3.94
Cash Dividend Per Share	15%	10%	7%	12.00%	17.00%
Stock Dividend	Nil	2%	5%	3.00%	5.00%
Year end Market Price (DSE) in Taka	35.10	34.70	39.50	35.00	51.40
Year end Market Price (CSE) in Taka	34.50	33.70	39.00	35.10	50.50
Year end PE Ratio (DSE)	17.46	18.07	17.48	9.32	23.94
Year end PE Ratio (CSE)	17.60	17.28	17.26	9.34	23.49

* For 9 months period



Annexure II

Envoy Textiles Limited 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 2019

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 2019 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 2019 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 2019

Saiful Islam, FCMA

Chief Financial Officer (CFO)
12 October 2019





Annexure III

Pattern of shareholding as on 30 June 2019

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	36,74,013	2.19%
2	Mr. Abdus Salam Murshedy	Managing Director	43,89,441	2.62%
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	Dornick Apparels Limited	Sponsor	1,29,24,606	7.71%
10	Envoy Towers Limited	Sponsor	1,12,89,837	6.73%
11	Pastel Apparels Limited	Sponsor	80,03,526	4.77%
12	Fontina Fashions Limited	Sponsor	77,41,603	4.62%
13	Nadia Garments Limited	Sponsor	34,57,914	2.06%
14	Supreme Apparels Limited	Sponsor	33,54,694	2.00%
15	Mr. Syed Shahed Reza	Independent Director	0	0.00%
16	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	1,02,515	0.06%
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 2018-19 were as follows:

Name of the Directors	Position	Meeting Held	Attendance
Mr. Kutubuddin Ahmed	Chairman	19	19
Mr. Abdus Salam Murshedy	Managing Director	19	19
Mrs. Rashida Ahmed	Director	19	9
Mrs. Sharmin Salam	Director	19	10
Mr. Tanvir Ahmed	Director	19	14
Ms. Shehrin Salam Oishee	Director	19	11
Ms. Sumayyah Ahmed	Director	19	9
Mr. Ishmam Salam	Director	19	13
Mr. Abul Kalam Azad, FCA	Independent Director	19	8
Mr. Sk. Bashir Ahmed	Independent Director	19	12
Mr. Syed Shahed Reza	Independent Director	19	6

Annexure V

Brief Resume of the Directors who seek re-appointment in the ensuing 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.
Barrister Shehrin Salam Oishee , Director of the Company, was first appointed to the Board on 27 June 2010. She has excellent academic & professional track record, holds a 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 and had pursued various sectors of the legal profession since then, gaining in-depth knowledge in both criminal and corporate litigation. She is the daughter of Mr. Abdus Salam Murshedy, Managing Director of the Company.	Legal Affairs	1. Packing Aid (Pvt.) Ltd. 2. Envoy Garments Ltd. 3. Oishee Accessories Ltd. 4. Manta Apparels Ltd.	Audit Committee
Mrs. Sumayyah Ahmed , Director of the Company, was first appointed to the Board on 12 April 2017. She has an excellent academic track record, holds a Masters in Marketing and Brand Management from Essex University, UK in the year 2014. She is the only daughter of Mr. Kutubuddin Ahmed, Chairman of the Company. Her vision is to see the Company as an entity with the highest quality in regards to building brands while incorporating new products to meet the competition in the global market.	Brand Management	1. Food Zone Ltd. 2. Sheltech Brokerage Ltd. 3. Sheltech Ceramics Ltd. 4. Envoy Fashions Ltd.	N/A





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.
Mr. Ishmam Salam, Director of the Company, was first appointed to the Board on 12 April 2017. He is pursuing his graduation degree in English. He is the son of Mr. Abdus Salam Murshedy, Managing Director of the Company. He hopes to lead the development of business and incorporate traits of corporate culture.	General Administration	1. Envoy Design Ltd. 2. Armour Garments Ltd. 3. Envoy Fashions Ltd. 4. Envoy Garments Ltd. 5. Manta Apparels Ltd. 6. Olio Apparels Ltd. 7. Pastel Apparels Ltd. 8. Texas Dresses Ltd. 9. Laundry Industries Ltd.	N/A

Annexure VI

Management's Discussion and Analysis

This report covers the operations and financial performance of the Company for the year ended 30 June 2019

Overall Review:

In spite of the adverse market conditions, the overall performance of the Company during the year has considerably improved compared to that of the previous year. But the global economic outlook remained uncertain. There were many reasons for this sluggishness including weak recovery in the US and Europe and a general economic slowdown in emerging economies like China and India. It is expected that the economy should grow in the coming years and the demand for and prices of textile products should improve which will enable the Company for a better performance.

Raw material costs were remained stable globally. While a shift is taking place of textiles industries from China to Bangladesh. 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.

Financial Performance

	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Revenue	9,118.52	7,558.43	6,078.74	4,753.78	5,479.12	4,391.17
GP	1,698.89	1,200.39	1,084.13	894.99	1,169.33	770.35
NP	554.43	329.94	321.18	353.46	571.24	310.93
Rate of Inflation	5.48	5.78	5.44	5.92	6.40	7.35
Restated NP- Inflation adjusted	525.62	311.92	304.61	333.71	536.88	289.64
EPS	3.31	2.01	2.05	2.32	3.94	2.21
NAV	38.35	38.01	38.51	38.75	40.09	38.43
NOCFS	2.58	0.24	(2.00)	1.04	2.08	1.52

Revenue has been gradually improved over the last six years since initial public issue of shares, 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 this year, 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, Evince Textiles and Pacific Denim for last four years as published in Dhaka Stock Exchange website, where average EPS was stood at Taka 2.30 with a comparison of Taka 2.42 average EPS of the company for the same period.

Average Net Asset Value (NAV) per share of the company for the year 2013-14 to 2018-19 is calculated at Taka 38.41 against peer organizations average of Taka 21.07 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, the financial results are satisfactory.

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 (CEO)

12 October 2019



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 2019 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, subject to the approval of the members of the Company at ensuing 24th Annual General Meeting.

(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 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.

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 three 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 2019

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 24th 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 √ 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).	√		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);	√		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	√		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	√		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	√		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	√		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. Abul Kalam Azad FCA and Mr. Sk. Bashir Ahmed, their period has been extended for 1 term of 3 years and the term has been expired. In place of their Mr. Syed Shahed Reza and Mr. Itrat Husain FCMA, FCS newly appointed as Independent Directors.
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	Not Applicable		



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.	Not Applicable		
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);	Not Applicable		
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(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)(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;	Not Applicable		
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;	Not Applicable		
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;	Not Applicable		
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;	Not Applicable		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	Not Applicable		
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:	√		The members (3) of the audit committee are the directors of the company and the chairman of the audit committee is an independent director of the company.
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)t	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		



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;	√		
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(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;	√		
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;	√		
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.	Not Applicable		
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;	√		
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;	Not Applicable		
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;	√		
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;	√		
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)(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.	√		



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 2019. 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 2019


AFM Alamgir FCA
Chief Executive Partner



Shah Ali Tower (7th Floor) 33, Kawran Bazar, Dhaka-1215 Bangladesh.

Phone : 8189883-7, 8180183-6, Fax : 8180187, E-mail: info@artisan-ca.com, afmalamgir28@gmail.com, Web : www.artisan-ca.com





Mr. Tanvir Ahmed, Director of the Company is receiving 'ICMAB Best Corporate Award-2017' (First Position) on behalf of the Company from Abul Maal Abdul Muhith, Ex-Finance Minister, Govt. Republic of Bangladesh.

AUDITOR'S REPORT & FINANCIAL STATEMENTS



Mahfel Huq & Co.

Chartered Accountants

An independent member firm of AGN International



An independent member firm of AGN International

BGIC Tower (4th Floor)
34, Topkhana Road
Dhaka-1000, Bangladesh
Tel: +88-02-9553143, 9581786
Fax: +88-02-9571005
E-mail : info@mahfelhuq.com
Web: www.mahfelhuq.com

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 2019 and along with 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 2019, 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 2019, and of its financial performance and its cash flows for the year then ended 30 June 2019 in accordance with International Financial Reporting Standards (IFRSs) and comply of with the applicable sections of the Companies Act 1994, the Securities and Exchange Rules 1984 and other applicable laws and regulations.

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 Consolidated and separate 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 Bangladesh Bank, 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 Paragraphs

We draw attention to note 25 to the financial statements. Based on legal advice, the company is confident that no liability will devolve on the company, and accordingly no additional provision for any liability has been made in the accompanying financial statements.

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.

Risk	Our response to the risk
Revenue recognition	
At year end, the company reported total revenue of BDT 9,118,517,693. 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: • Calculation of incentives; • Segregation of duties in invoice creation and modification; and • Timing of revenue recognition. Our substantive procedures in relation to the revenue recognition comprises the following: • Obtaining supporting documentation for sales

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	transactions recorded at the year end 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.
Valuation of Inventory	
The company had inventory of BDT 2,645,507,118 at 1st July 2018, held in warehouses. 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. Closing Inventory is net of a provision of BDT 2,740,742,478 which is primarily driven by comparing the level of inventory held to future projected sales. 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.	We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by: • 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
Legal and regulatory matters	
We focused on this area because the company operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities. Overall, the legal provision represents the company's best estimate for existing legal matters that have a probable and estimable impact on the company's financial position.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the company's key controls over the legal provision and contingencies process. We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. We enquired of the company's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel. We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information. We also assessed the company's provisions and contingent liabilities disclosure.

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Reporting on 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.

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.



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- 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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, 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;
- (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;
- (iv) the expenditures incurred were for the purpose of the Company's business for the year;

Place: Dhaka
Dated: October 12, 2019


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Chartered Accountants.

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ENVOY TEXTILES LIMITED

Statement of Financial Position

As at 30 June 2019

Particulars	Notes	Amount in Taka	
		30 June 2019	30 June 2018
ASSETS:			
Non-Current Assets		11,050,618,531	11,165,178,555
Property, Plant & Equipment	5	11,050,618,531	9,607,848,564
Capital Work in Progress	6	-	1,557,329,992
Current Assets		6,741,001,952	6,299,459,091
Inventories & Stores	7	3,085,196,511	2,852,772,315
Trade and Others Receivable	8	3,413,894,902	3,147,123,680
Advance, Deposits & Prepayments	9	204,041,213	145,641,186
Investment	10	13,695,729	54,907,663
Cash and Cash Equivalents	11	24,173,597	99,014,247
Total Assets		17,791,620,483	17,464,637,646
EQUITY & LIABILITIES:			
Authorised Capital		4,000,000,000	4,000,000,000
275,000,000 Ordinary Shares of Tk.10/= each.	12	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
Shareholders' Equity		6,433,260,623	6,251,205,269
Paid up Share Capital	13	1,677,347,670	1,644,458,500
Share Premium	14	1,120,000,000	1,120,000,000
Revaluation Surplus	15	1,702,501,772	1,713,134,427
Retained Earnings	16	1,933,411,181	1,445,690,152
Tax Holiday Reserve	17	-	327,922,190
Non-Current Liabilities		5,089,037,140	4,465,968,095
Long Term Loan	18	4,309,810,544	3,990,714,223
LC Accepted Liability	19	502,131,417	453,153,828
Provision for Deferred Tax	20	277,095,179	22,100,044
Current Liabilities		6,269,322,719	6,747,464,282
Short Term Liabilities	21	3,908,896,026	4,035,741,368
Long Term Loan (Current Portion)	22	645,802,885	787,576,054
Accounts Payable	23	1,532,859,171	1,776,722,854
Provision for Expenses	24	87,530,290	93,842,416
Provision for Current Tax	25	94,234,347	53,581,591
Total Liabilities & Shareholders' Equity		17,791,620,483	17,464,637,646
NAV Per Share		38.35	38.01
The annexed notes form an integral part of this financial statements.			

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


Kutubuddin Ahmed
Chairman


Barrister Shehrin Salam Oishee
Director


Abdus Salam Murshedy
Managing Director


M. Saiful Islam Chowdhury, FCS
Company Secretary


Tanvir Ahmed
Director

Dated: October 12, 2019
Place: Dhaka


Mahfel Huq & Co.
Chartered Accountants.

ENVOY TEXTILES LIMITED

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2019

Particulars	Notes	Amount in Taka	
		30 June 2019	30 June 2018
Revenue	26	9,118,517,693	7,558,432,416
Less: Cost of Goods Sold	Schedule-B	7,419,623,020	6,358,041,366
Gross Profit		1,698,894,673	1,200,391,049
Less: Operating Expenses		290,584,016	282,922,342
Administrative & General Expenses	27	223,765,807	225,556,742
Selling & Distribution Expenses	28	66,818,210	57,365,600
Profit/ (Loss) from Operation		1,408,310,656	917,468,708
Less: Financial Expenses	29	725,021,019	543,476,724
Profit/ (Loss) after Financial Expenses		683,289,637	373,991,984
Add: Other Income / (Expenses)	30	2,131,201	1,363,391
Net Profit/ (Loss) before WPPF		685,420,838	375,355,374
Less: Workers Profit Participation Fund Expenses		32,639,088	17,874,065
Net Profit before Tax		652,781,750	357,481,309
Less: Provision for Current Tax		40,652,756	53,195,860
Less: Provision for Deferred Tax		57,701,724	(25,653,539)
Profit after Tax		554,427,270	329,938,988
Earnings Per Share (EPS)	31	3.31	2.01
Diluted Earnings Per Share		3.31	1.97

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

Dated: October 12, 2019
Place: Dhaka



Mahfel Huq & Co.
Chartered Accountants.

ENVOY TEXTILES LIMITED

Statement of Changes in Equity

For the year ended 30 June 2019

Particulars	Share Capital	Share Premium	Revaluation Surplus	Tax Holiday Reserve	Retained Earnings	Total
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	-	-	-	-	554,427,270.01	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	327,922,190	1,933,411,181	6,433,260,623

For the year ended 30 June 2018

Particulars	Share Capital	Share Premium	Revaluation Surplus	Tax Holiday Reserve	Retained Earnings	Total
Balance as at 01.07.2017	1,566,150,960	1,120,000,000	1,724,109,852	327,922,190	1,292,713,846	6,030,896,848
Add: Issuance of Bonus Share	78,307,540	-	-	-	-	78,307,540
Add: Net Profit During the Period	-	-	-	-	329,938,988	329,938,988
Less: Declaration of Dividend- 2017	-	-	-	-	(187,938,107)	(187,938,107)
Depreciation on Revaluation Surplus	-	-	(10,975,425)	-	10,975,425	-
Balance as at 30.06.2018	1,644,458,500	1,120,000,000	1,713,134,427	327,922,190	1,445,690,152	6,251,205,268

Kutubuddin Ahmed

Kutubuddin Ahmed
Chairman

Abdus Salam Mursheedy

Abdus Salam Mursheedy
Managing Director

Tanvir Ahmed

Tanvir Ahmed
Director

Shehrin Salam

Barrister Shehrin Salam Oishee
Director

M. Saiful Islam Chowdhury

M. Saiful Islam Chowdhury, FCS
Company Secretary

Dated: October 12, 2019
Place: Dhaka

Mahfel Huq & Co.
Mahfel Huq & Co.
Chartered Accountants.

**ENVOY TEXTILES LIMITED****Statement of Cash Flows**

For the year Ended 30 June 2019

Particulars	Notes	Amount in Taka	
		30 June 2019	30 June 2018
Cash Flow from Operating Activities: (A)			
Collection from Turnover and Others		8,847,615,215	7,056,304,977
Exchange Fluctuation Gain		6,262,457	-
Cash Payment to Creditors		(7,308,329,862)	(6,127,612,288)
Cash Payment for Operating Expenses		(346,795,988)	(311,386,857)
Income Tax Paid and Deducted at Source		(45,705,177)	(53,195,860)
Financial Expenses		(720,993,396)	(524,312,078)
Net Cash Provided by Operating Activities		432,053,249	39,797,894
Net Operating Cash Flow Per Share	45	2.58	0.24
Cash Flows from Investing Activities: (B)			
Acquisition of Fixed Assets		(2,150,829,034)	(1,209,195,614)
Investment		41,211,933	(9,200,637)
Capital Work in Process		1,502,520,776	206,794,654
Net Cash Used in Investing Activities		(607,096,324)	(1,011,601,597)
Cash Flows from Financing Activities: (C)			
Long Term Liabilities		368,073,910	138,692,334
Long Term Liabilities (Current Portion)		(141,773,169)	97,825,850
Short Term Liabilities		37,809,249	861,399,654
Payment of Cash Dividend		(163,907,565)	(109,304,571)
Net Cash Used in / Provided by Financing Activities		100,202,425	988,613,266
Net Decrease in Cash [A+B+C]		(74,840,650)	16,809,563
Add: Cash at the Opening		99,014,247	82,204,684
Cash at end of the Year	11	24,173,597	99,014,247

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

Kutubuddin Ahmed
ChairmanAbdus Salam Murshedy
Managing DirectorTanvir Ahmed
DirectorBarrister Shehrin Salam Oishee
DirectorM. Saiful Islam Chowdhury, FCS
Company SecretaryDated: October 12, 2019
Place: Dhaka
Mahfel Huq & Co.
Chartered Accountants.

ENVOY TEXTILES LIMITED

Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Information As at and for the year Ended 30 June 2019

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 registered office of the company is located at Envoy Tower, 18/E Lake circus Kalabagan (West panthapath), Dhaka-1205.

b. Activities of the Company

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.

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.

- 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.
- The accounting policies on all material areas have been stated clearly in the notes marked from 3.01 to 4.07.
- The International Accounting Standards (IASs) that underpin the policies adopted by the company when necessary:

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 Statements are prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994, Securities and Exchange Rules 1987 and other applicable laws and regulations.

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 Act 1991; and
The Value Added Tax Rules 1991.

3.03 **Compliance with International Financial Reporting Standards (IFRS)**

The financial statements have been prepared in compliance with requirements of IFRSs, IASs adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

3.04 **Measurement Bases used in preparing the Financial Statements.**

The elements of financial statements have been measured on “Historical Cost” Basis, which is one of the most commonly adopted base as provided in “the frame-work for the preparation and presentation of financial statements” Issued by the International Accounting Standards Committee (IASC).

3.05 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.

- Statement of Financial Position as at 30 June 2019.
- Statement of Profit or Loss and Comprehensive Income for the year ended 30 June 2019.
- Statement of Changes in Equity for the year ended 30 June 2019.
- Statement of Cash Flows for the year ended 30 June 2019.
- Notes, comprising a Summary of Significant Accounting Policies and other Explanatory Information for the year ended 30 June 2019.

3.06 Specific accounting policies selected and applied for significant transactions and events.

Property, Plant & Equipment

Property, Plant & Equipment comprises Factory Building, Rest House, Officer and Staff Quarter, Corporate Office Building, Factory Equipment, Furniture & Fixture, Machinery, ETP Cost, Office Equipment, Motor Vehicle, Software etc. Fixed assets are stated at their historical cost less accumulated depreciation. Land, building, other construction, machineries/equipment, ETP cost and office spaces measured and valued at fair value in compliance with International Accounting Standards (IASs)-16 “Property, Plant & Equipment”.

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 addition from the date of the related assets are ready for use. 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%
Software	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.

3.07 Disposal of Fixed Assets

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.

3.08 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".

3.09 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.

3.10 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".

3.11 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 in compliance with Finance Act, 2019.

c. Deferred Tax

Deferred tax arises due to temporary difference deductible or taxable for the transaction which is recognized in the income statement. A temporary difference between the tax base of an asset or liability and its carrying amount/or amount in the Statement of Financial Position. Deferred tax assets or liability is the year income tax recoverable or payable in future periods recognized in the current period "IAS 12: Income Tax".

3.12 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.

3.13 Revenue Recognition**Sales of Goods**

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

- 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.

3.14 Other Income and Expenses:

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

3.15 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.

3.16 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.

3.17 Earnings Per Share (EPS)

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

Basic 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.

3.18 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).

3.19 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.

3.20 Event after the Reporting Period

In compliance with the requirements of "IAS-10: Event After the reporting period" that provide additional information about the company's position at the date of the financial position are reflected in the financial statements and events after the reporting period that are not adjusting events are disclosed in the note-51 when materials.

4.00 Additional Information

4.01 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).

4.02 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.

4.03 Reporting Currency and level of precision

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

4.04 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. For this reason, the directors continue to adopt going concern basis in preparing the financial statements.

4.05 Period of Financial Statements

Period of financial statements is from 01 July 2018 to 30 June 2019.

4.06 Significant Event:

a) During the reporting period there has been increase of both revenue, net profit and EPS due to improvement of Sales and production capacity utilization in both the denim and spinning unit.

b) Significant change in Net Operating Cash Flow Per Share due to increase in sales and related export proceed realization.

c) During the reporting period there has been significant increase in Direct Export at higher sales rate in compared to last year.

d) 33.40% increase of Financial Overhead due to increase in Bank interest rate and small increase in new loan in local currency.

4.07 General

Figures for the year ended 30 June 2019 have been rearranged wherever considered necessary to ensure comparability with the current year.

		Amount in Taka	
		30 June 2019	30 June 2018
5.00	Property, Plant & Equipment:		
	Written Down Value of Cost Value	5.01 9,305,904,454	7,853,342,568
	Written Down Value of Revaluation Value	5.02 1,702,501,772	1,713,134,427
	Written Down Value of Intangible Assets	5.03 42,212,304	41,371,570
	Total	11,050,618,531	9,607,848,565
5.01	Tangible Assets:		
	Cost Value (A)		
	Opening Balance	10,315,464,277	9,116,149,187
	Add: Addition during the Year	2,140,701,202	1,199,315,090
	Less: Disposal during the Year	-	-
	Total	12,456,165,479	10,315,464,277
	Accumulated Depreciation (B)		
	Opening Balance	2,462,121,710	1,876,643,522
	Add: Charged during the Year	688,139,316	585,478,188
	Less: Adjustment during the Year	-	-
	Total	3,150,261,025	2,462,121,710
	Written Down Value of Cost Value (A-B)	9,305,904,454	7,853,342,568
5.02	Revaluation (C)		
	Opening Balance	1,811,647,590	1,811,647,590
	Add: Prior Period Adjustment	-	-
	Less: Disposal during the Year	-	-
	Total	1,811,647,590	1,811,647,590
	Accumulated Depreciation on Revaluation Surplus (D)		
	Opening Balance	98,513,163	87,537,738
	Add: Charged during the Year	10,632,655	10,975,425
	Less: Adjustment during the Year	-	-
	Total	109,145,818	98,513,163
	Written Down Value of Revaluation Value (C-D)	1,702,501,772	1,713,134,427
5.03	Intangible Assets:		
	Cost Value (E)		
	Opening Balance	70,053,617	60,173,094
	Add: Addition during the Year	10,127,832	9,880,523
	Less: Disposal during the Year	-	-
	Total	80,181,449	70,053,617
	Accumulated Amortization (F)		
	Opening Balance	28,682,047	19,574,220
	Add: Charged during the Year	9,287,097	9,107,827
	Less: Adjustment during the Year	-	-
	Total	37,969,145	28,682,047
	Written Down Value of Cost Value (E-F)	42,212,304	41,371,570
	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		
6.00	Capital Work-in-Progress:		
	Opening Balance	1,557,329,992	1,557,329,992
	Add: Addition during the Year	-	-
	Less: Transfer to Fixed Assets	1,557,329,992	-
	Total	-	1,557,329,992

		Amount in Taka	
		30 June 2019	30 June 2018
7.00	Inventories & Stores:		
	Inventories	7.01 2,623,451,676	2,552,279,645
	Stores	7.02 117,290,801	93,227,473
	Material in Transit:	7.03 344,454,033	207,265,197
	Total	3,085,196,511	2,852,772,315
7.01	Inventories:		
	Packaging Material	24,661,326	15,794,526
	Raw Materials-Yarn	193,244,736	334,617,589
	Raw Materials-Cotton	710,066,075	766,492,585
	Raw Materials-Chemicals	401,071,639	333,949,746
	Finished Goods- Fabrics	724,983,882	596,799,041
	Finished Goods- Yarn	199,668,884	134,567,807
	Work in Process	369,755,135	370,058,352
	Sub Total	2,623,451,676	2,552,279,645
7.02	Stores:		
	Spare Parts & Accessories	117,182,462	93,119,134
	Electrical Goods and Spare Parts	108,339	108,339
	Sub Total	117,290,801	93,227,473
7.03	Material in Transit:		
	Machinery	54,809,215	2,633,819
	Spare Parts	74,714,086	21,446,386
	Raw Yarn	75,884,907	48,175,188
	Raw Cotton	16,981,556	90,742,825
	Dyes & Chemical	122,064,269	44,266,980
	Total	344,454,033	207,265,197
8.00	Trade and Others Receivable		
	Accounts Receivable	8.01 2,666,646,925	2,454,763,957
	Export Incentive Receivable	8.02 747,247,977	692,359,723
	Total	3,413,894,902	3,147,123,680
8.01	Accounts Receivable		
	Opening Balance	2,454,763,957	2,011,582,906
	Add: Addition during the Year	8,736,806,710	6,855,029,303
		11,191,570,667	8,866,612,209
	Less: Realized during the Year	8,524,923,742	6,411,848,252
	Closing Balance	2,666,646,925	2,454,763,957
	Aging for Accounts Receivable: Details is shown at Note No-40		
8.02	Export Incentive Receivable:		
	Opening Balance	692,359,723	632,049,944
	Add: Addition during the Year	220,794,547	203,391,531
		913,154,269	835,441,475
	Less: Realized during the Year	(165,906,293)	(143,081,752)
	Closing Balance	747,247,977	692,359,723
9.00	Advance, Deposits & Prepayments:		
	Advance	9.01 15,636,299	29,941,817
	Advance Tax and VAT	9.02 111,775,496	66,070,318
	Deposits	9.03 76,629,419	49,629,051
	Total	204,041,213	145,641,186
9.01	Advance:		
	Advance Against Salary	600,000	52,000
	Advance against Travelling	-	915,130
	Advance Office Rent	255,000	255,000
	Advance to Driver against Fuel	238,000	227,000
	Advance to Employees	158,820	266,820
	Advance to Suppliers	10,457,833	22,369,007
	Advance- to Department for Expenses	3,843,236	5,587,434
	Advance Against Purchase	83,410	269,426
	Sub Total	15,636,299	29,941,817

		Amount in Taka	
		30 June 2019	30 June 2018
9.02	Advance Tax and VAT:		
	Advance Income Tax-Export	80,354,279	44,678,712
	Advance to Income Tax-Import	7,623,771	3,255,463
	Advance Income Tax-Incentive	9,269,641	4,292,452
	Advance Income Tax-Vehicle	1,445,500	831,000
	Advance Tax FDR	187,695	126,508
	Advance Tax STD/ Other Accounts	20,150	11,724
	Income Tax Paid in Advance	12,874,459	12,874,459
	Sub Total	111,775,496	66,070,318
9.03	Deposits:		
	Deposit for Electricity Connection	30,664,060	30,664,060
	Deposit for Gas Connection	38,000,371	10,546,871
	Deposit for Telephone Connection	10,000	10,000
	LC Margin	3,642,882	3,177,590
	Prepaid Interest Expenses	1,600,000	3,600,000
	Interest Receivable on FDR	1,093,964	-
	Security Deposits	1,618,142	1,630,530
	Sub Total	76,629,419	49,629,051
	Discluser: Total Bank Guarantee Tk. 76,090,300/=		
10.00	Investment:		
	Investment in Marketable Securities	10.01 -	2,849
	Fixed Deposit (FDR)	10.02 13,695,729	54,904,813
	Total	13,695,729	54,907,662
10.01	Investment in Marketable Securities		
	Opening Balance	2,849	3,099
	Add: Addition during the Year	-	-
	Less: Sale of Share	2,849	250
	Total	-	2,849
10.02	Fixed Deposit (FDR)		
	Opening Balance	54,904,813	45,703,927
	Add: Addition during the Year	-	9,200,886
	Less: Encashments during the year	41,209,084	-
	Total	13,695,729	54,904,813
11.00	Cash and Cash Equivalents		
	Cash in Hand	11.01 2,115,791	4,048,255
	Cash at Bank	11.02 22,057,806	94,965,992
	Total	24,173,597	99,014,247
11.01	Cash in Hand	2,115,791	4,048,255

		Amount in Taka	
		30 June 2019	30 June 2018
16.00	Retained Earnings:		
	Opening Balance	1,445,690,152	1,292,713,845
	Less: Prior Year Adjustment	(197,293,411)	-
	Add: Profit during the Period	554,427,270	329,938,988
	Less: Final Dividend	197,335,020	187,938,107
		1,605,488,991	1,434,714,726
	Add: Transfer from Tax Holiday Reserve	327,922,190	-
	Add: Depreciation on Revaluation Surplus	-	10,975,425
	Closing Balance	1,933,411,181	1,445,690,152
17.00	Tax Holiday Reserve:		
	Opening Balance	327,922,190	327,922,190
	Less: Transfer to Retained Earnings	327,922,190	-
	Closing Balance	-	327,922,190
18.00	Secured Loan:		
	Brac Bank BDT Term Loan	23,461,428	46,922,855
	Brac Bank Ltd. Offshore Term Loan- 2	68,763,412	93,341,499
	Brac Bank Ltd. Offshore Term Loan- 3	346,281,026	470,052,156
	DBBL Term Loan	476,235,448	-
	HSBC- BDT Term Loan	2,843,167	5,686,334
	HSBC- Offshore Term Loan -3	230,444,414	372,512,948
	MTBL Offshore Term Loan	333,985,365	572,290,862
	Pubali Bank Ltd. Project Loan	939,152,112	982,030,959
	Uttara Finance- Lease	498,828,941	593,039,049
	Series Zero Coupon Bond	368,105,297	304,837,560
	Uttara Bank- Revolving Term Loan	500,000,000	400,000,000
	MTBL- Revolving Term Loan	150,000,000	150,000,000
	IIDFC Term Loan	371,709,935	-
	Total	4,309,810,544	3,990,714,223
19.00	L/C Accepted Liability:		
	HSBC Machinery UPAS	149,728,003	-
	Pubali Bank Ltd. -UPAS- Machinery	352,403,414	453,153,828
	Total	502,131,417	453,153,828
20.00	Provision for Deferred Tax:		
	Opening Balance	22,100,044	47,753,583
	Add: Addition during the Year	57,701,724	(25,653,539)
		79,801,768	22,100,044
	Less: Prior Year Adjustment	(197,293,411)	-
	Closing Balance	277,095,179	22,100,044

		Amount in Taka	
		30 June 2019	30 June 2018
21.00	Short Term Liabilities:		
	Brac Bank Ltd.- OD- 006	57,853,199	57,767,051
	Brac Bank- IBP	175,855,032	62,588,246
	Brac Bank Ltd.- RSTL	400,000,000	400,000,000
	DBBL CC- 043	174,944,538	-
	DBBL- RSTL	285,000,000	400,000,000
	HSBC- OD Account- 011	62,088,614	81,926,696
	HSBC Offshore IBP	168,275,042	461,107,716
	HSBC - RSTL	255,000,000	-
	MTBL SOD- 0084	30,612,548	26,954,988
	Premier Bank Ltd- OD- 08	78,652,919	126,376,126
	Pubali Bank Ltd. -CC-371	650,638,008	681,193,675
	Pubali Bank Ltd. -STL	-	400,000,000
	Pubali Bank Ltd.- IBP	302,537,926	-
	Standard Chartered- -IBP	27,287,106	-
	Standard Chartered-CC- 911-01	46,602,290	47,295,605
	Standard Chartered- RSTL	149,998,000	249,566,250
	Uttara Bank CC-630-31-79	296,846,759	-
	EDF - Brac Bank Ltd	204,538,117	254,215,335
	EDF - DBBL	80,568,322	-
	EDF - HSBC	10,113,256	26,388,720
	EDF - Jamuna Bank	129,651,457	316,627,450
	EDF - MTBL	41,280,694	-
	EDF - Pubali Bank Ltd.	114,636,942	443,733,510
	EDF - Uttara Bank Ltd.	165,915,257	-
	Total	3,908,896,026	4,035,741,368
22.00	Secured Loan (Current Portion):		
	Brac Bank Ltd. Offshore Term Loan- 2	30,561,517	74,673,197
	Brac Bank Ltd. Offshore Term Loan- 3	153,902,678	268,601,227
	HSBC- Offshore Term Loan -1	-	35,941,982
	HSBC- Offshore Term Loan -2	-	14,441,802
	HSBC- Offshore Term Loan -3	115,222,207	143,039,012
	Pubali Bank Ltd. Project Loan	234,788,028	250,878,833
	MTBL- Offshore Term Loan	111,328,455	-
	Total	645,802,885	787,576,054
23.00	Accounts Payable:		
	Trade payable	23.01 241,564,683	650,082,956
	LC Accepted Liability	23.02 1,291,294,488	1,126,639,898
	Total	1,532,859,171	1,776,722,854
	Aging: Credit Available up to 4 Months.		
23.01	Trade payable		
	Opening Balance	650,082,956	555,651,234
	Add: Purchase during the Year	5,448,646,543	5,144,265,641
		6,098,729,499	5,699,916,875
	Less: Payment during the Year	5,857,164,816	5,049,833,919
	Closing Balance	241,564,683	650,082,956
23.02	LC Accepted Liability:		
	Standard Chartered Bank- UPAS	335,977,016	455,932,579
	HSBC - UPAS	955,317,473	670,707,318
	Sub Total	1,291,294,488	1,126,639,898
24.00	Provision for Expenses:		
	This consists of as follows:		
	Liabilities for Expenses	24.01 40,834,307	45,611,613
	Liabilities for Other Finance	24.02 37,600,652	39,673,755
	Unclaimed Dividend	24.03 9,095,332	8,557,047
		87,530,290	93,842,416

		Amount in Taka	
		30 June 2019	30 June 2018
24.01	Liabilities for Expenses:		
	Gas Bill Payable	13,966,088	16,725,794
	Audit Fees Payable	195,500	201,250
	WPPF Payable- 2018	-	10,810,504
	WPPF Payable- 2019	26,672,719	17,874,065
	Total	40,834,307	45,611,613
24.02	Liabilities for Other Finance:		
	Interest Payable	32,034,182	28,006,559
	Advance against Sales	4,476,088	7,086,286
	Others Payable	130,000	3,614,529
	Deposit against IPO Subscription	960,381	966,381
	Total	37,600,652	39,673,755
24.03	Unclaimed Dividend:		
	Unclaimed Dividend- 2011	124,171	124,171
	Unclaimed Dividend- 2012	1,650,208	1,650,208
	Unclaimed Dividend- 2013	1,804,936	1,804,936
	Unclaimed Dividend- 2014	1,840,061	1,840,061
	Unclaimed Dividend- 2015	1,722,685	1,751,450
	Unclaimed Dividend- 2016	692,085	720,160
	Unclaimed Dividend- 2017	630,381	666,060
	Unclaimed Dividend- 2018	630,805	-
	Total	9,095,332	8,557,047
25.00	Provision for Current Tax:		
	Opening Balance	53,581,591	45,356,147
	Add: Addition during the Year	40,652,756	53,195,860
		94,234,347	98,552,007
	Less: Assessment cleared up to 2017-18	-	44,970,415
	Closing Balance	94,234,347	53,581,591
This is litigation regarding current tax whice has highly possible to win case no: 596, dated 23.04.2019			
26.00	Revenue:		
	Export Sale of Fabrics	7,359,818,218	5,851,121,797
	Export Sale of Cotton Yarn	1,211,725,895	771,779,538
	Export Sale of Dyed Yarn	165,262,598	232,127,968
	Foreign Exchange Fluctuation Gain	6,262,457	-
	Weaving & Finishing	132,575,091	252,425,435
	B-Grade Sales	15,360,190	181,723,203
	Sample sales	123,692	696,765
	Stock Fabric Sales	6,595,007	65,166,179
	Export Incentive	220,794,547	203,391,531
	Total	9,118,517,693	7,558,432,416

27.00 Administrative & General Expenses:

Salary, Allowance and Bonus
Audit & Others Professional fees
Annual Subscription
Bank Charges and Commission
Bank Excise Duty
BTMA Certification Expenses
Directors' Remuneration
Directors' Meeting Attendance fees
CSR Expenses
Electricity
Entertainment Expenses
Fuel Expenses
Incentive Return
Insurance Premium
Software Maintenance
License and Renewal fees
Maternity Leave Benefit
Medical Bill- HO
Office Maintenance
Employees Other Benefit
Contribution to Provident Fund
Refreshment
Printing & Stationery
Rent Rate & Taxes
Repair & Maintenance
Security and Protection
Employee Retirement Benefit
Stamp, Postage & Courier
Sports & Recreation
Subsidy Fooding for Head Office
Surveillance Fees
Vehicle Maintenance Expenses
Vehicle Tracking-
Visa Processing Fees
VAT Deposit
Travelling & Conveyance Expenses
AGM Expenses
Telephone and Mobile Bill
Training & Development Expenses
Wasa Bill
Amortization
Depreciation
Total

Amount in Taka	
30 June 2019	30 June 2018
59,117,048	63,821,827
747,457	374,250
485,344	-
26,047,152	18,587,140
1,742,811	1,044,556
888,250	764,425
34,262,758	35,017,500
130,000	190,000
6,112,394	7,406,479
2,230,158	3,315,644
1,808,903	2,521,223
4,028,316	4,189,188
-	1,446,701
1,881,577	1,298,005
2,336,250	1,745,750
2,555,647	1,796,545
101,191	791,181
1,849,813	2,823,925
2,448,380	2,363,869
281,570	247,489
22,968,967	19,375,559
895,138	918,236
603,641	724,836
1,045,727	162,144
378,958	991,561
278,888	182,608
4,526,982	2,438,116
1,857,607	1,320,611
1,011,020	982,700
501,481	1,259,057
128,400	230,000
1,608,228	1,435,584
176,400	201,600
265,948	110,050
177,000	-
1,674,883	1,861,660
271,676	439,353
2,730,498	3,199,460
78,821	612,157
276,689	31,922
9,287,097	9,107,827
23,966,738	29,426,004
223,765,807	225,556,742

28.00 Selling & Distribution Expenses:

Salary, Allowance and Bonus
Advertisement
Business Promotion
Conveyance Marketing
Entertainment
Expenses of Chittagong Branch
Office Maintenance-Hongkong
Freight Charge- Direct Export
Fuel Expenses
Vehicle Maintenance
Sample Production Expenses
Total

46,018,990	43,079,725
309,959	602,674
2,721,437	2,709,221
529,675	605,142
665,431	373,725
55,873	1,283,206
5,873,500	6,648,000
7,006,088	-
1,411,576	1,086,412
477,674	537,980
1,748,007	439,515
66,818,210	57,365,600

		Amount in Taka	
		30 June 2019	30 June 2018
29.00	Financial Expenses:		
	Interest on Brac Bank Offshore Term Loan-1	-	774,436
	Interest on Brac Bank Offshore Term Loan-2	10,772,820	10,033,713
	Interest on Brac Bank Offshore Term Loan-3	45,869,362	42,357,035
	Interest on Brac Bank BDT Term Loan	4,402,744	4,980,198
	Interest on DBBL Term Loan	18,354,763	-
	Interest on HSBC BDT Term Loan	584,088	587,653
	Interest on HSBC Offshore Term Loan- 1	1,119,029	10,344,927
	Interest on HSBC Offshore Term Loan- 2	37,423	9,001,741
	Interest on HSBC Offshore Term Loan- 3	31,519,877	36,807,168
	Interest on MTBL Offshore Term Loan	42,604,474	41,280,372
	Interest on Pubali Bank Ltd.- Term Loan	115,979,928	69,080,578
	Interest on - Uttara Finance Term Loan	37,061,370	7,000,001
	Interest on Series JCB	30,022,517	-
	Interest on Offshore- IBP	12,166,813	11,619,178
	Interest on Brac Bank Ltd- OD	5,147,940	2,333,726
	Interest on Brac Bank Ltd- STL	17,979,673	13,759,710
	Interest on DBBL-CC	6,366,280	-
	Interest on DBBL STL	35,397,926	4,025,000
	Interest on Brac Bank - EDF	12,003,662	6,880,438
	Interest on HSBC- EDF	2,040,392	5,285,195
	Interest on JBL- EDF	4,889,535	6,152,745
	Interest on -Pubali Bank Ltd- EDF	14,533,714	32,051,941
	Interest on HSBC- OD	7,131,241	3,925,185
	Interest on HSBC- RL	17,526,947	9,949,463
	Interest on IIDFC	26,510,787	-
	Interest on Jamuna Bank- RL	-	11,323,424
	Interest on MTBL- SOD	3,808,205	1,769,293
	Interest on MTBL-STL	14,446,099	2,581,250
	Interest on -Pubali Bank Ltd- CC-37	60,120,986	50,192,587
	Interest on -Pubali Bank Ltd- STL	1,069,569	45,751,563
	Interest on -Premier Bank Ltd- CC	10,080,505	8,635,574
	Interest on SCB- CC	3,997,389	2,874,225
	Interest on SCB- RL	19,487,679	19,686,924
	Interest on Brac Bank - UPAS	-	4,161,024
	Interest on HSBC- UPAS	26,795,144	19,036,425
	Interest on PBL- UPAS	10,183,454	36,764,365
	Interest on SCB- UPAS	14,146,768	11,321,750
	Interest on Uttara Bank- CC	9,968,910	-
	Interest on Uttara Bank- STL	50,893,005	1,147,917
	Total	725,021,019	543,476,724
30.00	Other Income and Expenses:		
	Interest Income	2,134,050	1,363,641
	Loss on Investment in Marketable Securities	2,849	250
		2,131,201	1,363,391
31.00	Basic Earnings Per Share (EPS):		
	Profit After Tax	554,427,270	329,938,988
	Number of Shares Outstanding	167,734,767	164,445,850
	Earnings Per Share (EPS)	3.31	2.01
	Diluted Earnings Per Share	3.31	1.97

32.00 Factory Overhead:

Salary, Allowance and Bonus
C & F expenses
Chiller Maintenance
Conveyance-factory
Electricity Expenses
Entertainment
Fuel, Oil & Lubricant
Gas Bill
Iftary Expenses
Fuel for Machinery
Insurance Premium
Lab expenses
Medical Expenses
Medicine
Miscellaneous Expenses-Agro Project
Employees Other Benefit
Overtime-Production
Painting Expenses
Repair & Maintenance Generator
Spare Parts & Machine Maintenance
Factory Maintenance
Fire Fighting Maintenance
Sample washing and making cost
Security and Protection-Factory
Site Maintenance
Stationery-Factory
Telephone, Mobile and Internet
Test and Examination
Travelling & Conveyance
Uniform
Vehicle Maintenance Expenses
Worker Free Tiffin
Worker Free Fooding
Depreciation

Total

Amount in Taka	
30 June 2019	30 June 2018
198,557,253	162,233,292
6,518,780	2,820,179
253,110	234,680
230,575	134,885
432,703,884	323,760,207
2,591,406	3,190,600
5,830,063	5,691,725
191,827,139	179,336,954
468,568	1,280,973
4,366,797	5,228,919
7,073,027	7,899,104
1,600,632	643,834
2,814,669	4,824,549
491,297	413,708
313,491	444,033
2,443,783	1,717,513
28,027,809	24,374,894
976,776	1,619,350
13,272,850	13,048,579
35,958,245	37,816,989
6,381,567	5,808,716
999,382	953,362
2,211,615	2,021,852
8,924,927	5,604,149
4,581,302	3,069,436
1,283,943	1,224,841
3,324,207	3,136,848
1,919,078	1,709,065
4,589,382	3,337,673
1,475,791	428,850
1,436,809	1,149,487
11,350,095	9,621,996
9,536,734	8,397,805
664,172,578	567,027,609
1,658,507,564	1,390,206,656

33.00 Related party Disclosure under IAS-24:

33.01 During the reporting period from July 01, 2018 to June 30, 2019 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.	26,461,015	128,594,555	92,364,729	62,690,841
M/S Epoch Garments Ltd.	7,534,206	65,937,341	52,373,321	21,098,226
M/s Manta Apparels Ltd.	1,696,339	11,745,390	12,469,023	972,706
M/S Olio Apparels Ltd.	2,715,388	47,858,692	32,560,390	18,013,690
M/S Regal Garments Ltd.	3,537,889	-	3,537,889	-
Total-	41,944,837	254,135,978	193,305,352	102,775,463

33.02 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 Labor Law- 2006, amendment in 2018
(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.
(d) Termination benefits;	Group Insurance Policy with Fareast Life Insurance Co.
(e) Share-based payment;	As per Labor Law- 2006, amendment in 2018
	Nil

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

34.01 Directors have received the following remuneration from the company during the year ended 30 June 2019

Name	Position	No. of Month	2019 (Tk.)	No. of Month	2018 (Tk.)
Mr. Kutubuddin Ahmed	Chairman	12	10,005,000	12	10,505,250
Mr. Abdus Salam Murshedy	Managing Director	12	10,005,000	12	10,505,250
Mrs. Rashida Ahmed	Director	12	1,667,500	12	1,667,500
Mrs. Sharmin Salam	Director	12	1,667,500	12	1,667,500
Mr. Tanvir Ahmed	Director	12	3,457,879	12	3,335,000
Ms. Shehrin Salam Oishee	Director	12	3,457,879	12	3,335,000
Ms. Sumayyah Ahmed	Director	12	2,001,000	12	2,001,000
Mr. Ishmam Salam	Director	12	2,001,000	12	2,001,000
Total			34,262,758		35,017,500

34.02 Independent Directors have received the following meeting attendance fees during the Year ended 30 June 2019.

Name	Position	No. of Month	2019 (Tk.)	No. of Month	2018 (Tk.)
Mr. Abul Kalam Azad, FCA	Independent Director	8	40,000	20	100,000
Mr. Sk. Bashir Ahmed	Independent Director	12	60,000	18	90,000
Mr. Syed Shahed Reza	Independent Director	6	30,000	-	-
Mr. Itrat Husain FCMA, FCS	Independent Director	-	-	-	-
Total			130,000		190,000

35.00 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	149	321	2,389	2,859

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

Amount Paid audit Expenses to Auditors

Name	Purpose	2019 (Tk.)	2018 (Tk.)
Ahmad & Akhtar, Chartered Accountants	Audit Fee	201,250	351,250
ARTISAN, Chartered Accountants	Audit Fee	28,750	23,000
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	Audit Fee	-	-
Total-		753,207	374,250

37.00 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	785,818,056
(b) Cotton	3,428,844,789
(c) Dyes & Chemicals	1,181,267,379
2. Accessories / Spare Parts	49,231,095
3. Capital Machinery	2,041,915,446
Total CIF value of import:	7,487,076,766
FOB value of Export	8,736,806,710

38.00 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	143,567	0.08%	1,435,670
Total	143,567	0.08%	1,435,670

39.00 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 2019

Raw materials:	Qty. (Ton)	Amount in BDT	% on Consumption
1. Yarns	5320 (Ton)	927,190,908	16.50%
2. Cotton	20996 (Ton)	3,485,271,299	62.02%
2. Dyes & Chemicals	5369 (Ton)	1,114,145,486	19.83%
3. Packaging Materials	Various	43,849,519	0.78%
4. Spare Parts	Various	49,231,095	0.88%
		5,619,688,307	100%

40.00 Disclosures under Para 7 of schedule XI part II of the Companies Act. 1994.
Capacity Utilization (Period ended 01 July 2018 to 30 June 2019)

Description of Products	Installed Capacity (Yards)		Actual Production (Yards)		Capacity Utilization	
	June-19	June-18	June-19	June-18	June-19	June-18
Denim Fabrics Unit-1	24,000,000	24,000,000	20,565,920	18,523,420	85.69%	77.18%
Denim Fabrics Unit-2	28,000,000	26,000,000	24,142,601	20,888,111	86.22%	80.34%
Total-	52,000,000	50,000,000	44,708,521	39,411,531		
Spinning Unit (in KG)	22,000,000	21,000,000	19,585,307	17,564,988	89.02%	83.64%

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

Particulars	Amount 2019	%	Amount 2018	%
Within the Credit cycle up to 4 Months	2,584,628,310	96.92%	2,262,535,532	92.17%
From 4 to 6 Months	74,767,368	2.80%	108,874,076	4.44%
From 6 to 8 Months	3,430,761	0.13%	44,638,816	1.82%
Above 8 Months	3,820,485	0.14%	38,715,532	1.58%
Total-	2,666,646,925	100.00%	2,454,763,957	100.00%

42.00 Net Asset Value (NAV) Per Share:

Total Assets

Less: Total Liabilities

A. Net Assets Value

B. Total Number of Share Outstanding

Net Asset Value (NAV) Per Share (A/B):

Amount in Taka	
30 June 2019	30 June 2018
17,791,620,483	17,464,637,646
11,358,359,859	11,213,432,377
6,433,260,624	6,251,205,269
167,734,767	164,445,850
38.35	38.01

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
Assessment complete up to year 2016-2017			(198,387,171)	198,387,171	12,874,458	
30-Jun-18	2017-18	2018-19	27,542,320	N/A	53,195,860	Refund Appeal
30-Jun-19	2018-19	2019-20	69,989,102	N/A	45,705,177	N/A
Balance Carry Forward			145,670,737		111,775,496	

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

a) Raw Materials:

Particulars	Opening Stock on 01.07.2018	Purchase	Total	Consumption	Closing Stock on 30.06.2019	Unit
Yarn	1,670,182	4,508,423	6,178,604	5,319,512	1,169,006	KG
Cotton	5,745,905	20,655,691	26,401,597	22,433,864	3,967,733	KG
Dyes & Chemical	1,667,699	5,692,855	7,360,554	5,369,376	1,558,064	KG

b) Sales:

Particulars	Opening Stock on 01.07.2018	Production	Available for Sale	Closing Stock on 30.06.2019	Sales During the Year	Unit
Finished Fabrics	3,684,381	44,708,521	48,392,902	4,257,631	44,135,271	Yards
Spinning Yarn	557,739	19,585,307	20,143,046	842,897	19,300,150	KG

c) Finished Goods:

Particulars	Opening Stock on 01.07.2018	Production	Available for Sale	Sales/Use During the Year	Closing Stock on 30.06.2019	Unit
Finished Goods- Fabrics	3,684,381	44,708,521	48,392,902	44,135,271	4,257,631	Yards
Finished Goods-Spinning Yarn	557,739	19,585,307	20,143,046	19,300,150	842,897	KG

45.00 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 2019	Taka 30th June 2018
Net Profit after TAX	554,427,270	329,938,988
Depreciation	697,426,413	605,561,440
Decrease of Account Payable	(408,518,273)	94,431,722
Increase Provision for Expenses	(6,850,411)	8,743,118
Decrease of Provision for tax	98,354,480	(17,428,095)
Increase of Inventory	(95,235,360)	(490,430,437)
Decrease of Transit	(82,379,621)	20,866,353
Increase of A/R	(266,771,222)	(503,490,830)
Advance , Deposits & Prepayments	(58,400,027)	(8,394,367)
Net Cash Provided by /Used in Operation activities	432,053,249	39,797,894
Net operating cash flow per share	2.58	0.24

46.00 Commission

Commission/Bonus has been paid to sales agents during the period under audit.

47.00 Brokerage or Discount

No brokerage was paid against sales during the year under audit.

48.00 Board Meeting & Board Members

There are 10 members in the Board of Directors of the Company and 19 Board Meetings were held in the period under review.

49.00 Acknowledgement of Claims

There are no claim against the company not acknowledged as debt at the date of Financial Position.

50.00 Declaration of Dividend

The Board has declared Cash Dividend 15.00% (i.e. Tk. 1.50 per share of Tk. 10 each) on paid up capital for the year ended 30 June 2019 as per decision of the Board of Directors in their meeting held on 12 October 2019.



Mahfel Huq & Co.
Chartered Accountants
An independent member firm of AGN International



ENVOY TEXTILES LIMITED

Property, Plant and Equipment

As at 30 June 2019

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				Written down Value
		Balance as at 01.07.18	Addition During the Year	Addition Against Unit-2&3	Total as at 30.06.19	Revaluation Surplus	Total Cost as at 30.06.19	Rate %	O n C o s t		O n R e v a l u a t i o n S u r p l u s			Revaluation Surplus as at 30.06.19	Total as at 30.06.19	
									Balance as at 01.07.18	Charged during the year	Accumulated Depreciation 30.06.19	Balance as at 01.07.18	Charged during the year			
		1	2	3	4=1+2+3	5	6=4+5	7	8	9	10=8+9	11	12	13=11+12	14=4+10	15=5+13
	Tangible Assets															
1	Building Factory	1,839,409,492	-	5,992,215	1,836,297,707	126,551,138	1,962,943,845	3%	174,115,270	49,778,440	223,893,709	27,350,269	2,976,026	30,326,295	1,612,498,998	96,224,843
2	Rest house, Officer & Staff quarter	531,367,400	20,454,668	-	551,822,068	94,417,120	646,239,388	2%	33,853,344	10,154,428	44,008,172	44,008,172	1,606,658	15,691,066	507,813,396	78,726,253
3	Building Corporate Office	303,125,520	-	-	303,125,520	278,246,975	531,372,495	2%	55,935,302	7,415,707	63,351,008	49,328,803	5,367,545	54,696,148	239,774,512	173,559,627
4	Factory Equipment	260,609,703	6,839,364	96,000	267,605,067	-	267,605,067	10%	66,046,453	19,609,093	85,655,546	-	-	-	181,729,521	-
5	Furniture and Fixture	93,419,783	4,029,126	77,000	97,525,909	-	97,525,909	10%	31,510,807	6,396,204	37,907,011	-	-	-	59,618,898	-
6	Land and Land Development	149,784,528	-	-	149,784,528	1,343,772,667	1,494,770,156	-	-	-	-	-	-	-	1,343,772,667	-
7	Machinery & Equipment	6,416,378,683	450,035,513	1,591,879,934	8,458,294,129	6,348,927	8,458,294,129	10%	1,907,753,201	552,858,321	2,460,711,521	-	-	-	5,997,582,608	-
8	ETP Cost	94,804,796	-	-	94,804,796	6,348,927	101,153,714	10%	34,869,337	5,993,545	40,862,882	3,610,229	273,870	3,884,098	53,941,905	2,464,829
9	Office Equipment	96,231,653	1,514,612	-	97,746,265	-	97,746,265	10%	23,217,849	7,577,111	30,594,960	-	-	-	67,151,305	-
10	Motor Vehicle	97,964,600	18,947,795	-	116,912,395	-	116,912,395	20%	63,646,873	8,758,325	72,405,198	-	-	-	44,507,197	-
11	Other Construction	198,080,325	14,446,917	799,262	213,656,505	12,310,563	225,947,068	5%	29,066,293	8,839,606	37,905,899	4,139,454	408,555	4,548,010	175,780,606	7,762,354
12	Others Assets	243,236,803	23,795,335	270,500	267,302,638	-	267,302,638	5%	42,106,982	10,658,137	52,765,119	-	-	-	214,537,520	-
	Sub-Total	10,315,464,277	541,676,291	1,599,024,911	12,456,165,478	1,811,647,590	14,267,813,069		2,462,121,709	688,139,316	3,150,261,025	98,513,163	10,632,655	109,145,818	9,365,904,453	1,702,501,772

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			Written down Value	
		Balance as at 01.07.18	Addition During the Year	Addition Against Unit-2&3	Total as at 30.06.19	Revaluation Surplus	Total cost as at 30.06.19	Rate %	O n C o s t			O n R e v a l u a t i o n S u r p l u s			Original Cost as at 30.06.19	Revaluation Surplus as at 30.06.19		Total as at 30.06.19
									Balance as at 01.07.18	Charged during the year	Accumulated Amortization	Balance as at 01.07.18	Charged during the year	Accumulated Amortization				
	Intangible Assets	1	2	3	4=1+2+3	5	6=4+5	7	8	9	10=8+9	11	12	13=11+12	14=4+10	15=5+13	16=14+15	
1	Software and other Intangible	70,053,617	10,127,832	-	80,181,449	-	80,181,449	20%	28,682,047	9,287,097	37,969,145	-	-	-	42,212,305	-	41,371,570	
	Sub-Total	70,053,617	10,127,832	-	80,181,449	-	80,181,449		28,682,047	9,287,097	37,969,145	-	-	-	42,212,305	-	41,371,570	
	Total	10,385,517,894	551,804,123	1,599,024,911	12,536,346,928	1,811,647,590	14,347,994,518		2,490,803,757	697,426,413	3,188,230,169	98,513,163	10,632,655	109,145,818	9,348,116,758	1,702,501,772	11,050,618,531	

Depreciation/Amortization Allocation

Factory Overhead	664,172,578
Administrative & General Expenses	23,966,738
Rest house, Officer & Staff quarter	10,154,428
Building Corporate Office	7,415,707
Furniture and Fixture	6,396,204
Total Depreciation	688,139,316
Software	9,287,097
Total Depreciation/Amortization	697,426,413

ENVOY TEXTILES LIMITED

Statements of Cost of Goods Sold

For the year ended 30 June 2019

Schedule-B

Particulars	Notes	Amount in Taka	
		30 June 2019	30 June 2018
Opening Stock of Raw Material		1,450,854,445	1,082,681,358
a) Yarn		334,617,589	299,891,788
b) Cotton		766,492,585	560,915,607
c) Chemical		333,949,746	210,408,998
d) Packaging Materials		15,794,526	11,464,965
Add: Purchase During the Year		5,448,646,543	5,144,265,641
a) Yarn		785,818,056	967,420,552
b) Cotton		3,428,844,789	3,149,955,075
c) Chemical		1,181,267,379	979,784,676
d) Packaging Materials		52,716,319	47,105,339
Raw Material Available for Use		6,899,500,988	6,226,946,999
Less: Closing 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
Direct Material Consumed		5,570,457,212	4,776,092,554
a) Yarn		927,190,908	932,694,751
b) Cotton		3,485,271,299	2,944,378,097
c) Chemical		1,114,145,486	856,243,928
d) Packaging Materials		43,849,519	42,775,778
Add: Direct Labour/ Wages		383,640,945	309,721,950
Prime Cost		5,954,098,157	5,085,814,504
Manufacturing Overhead			
Total Factory Overhead	32	1,658,507,564	1,390,206,656
Cost of production		7,612,605,721	6,476,021,161
Add: Opening Work in Process		370,058,352	277,949,146
Less: Closing Work in Process		369,755,135	370,058,352
Cost of Goods Manufactured		7,612,908,938	6,383,911,955
Add: Opening Stock of Finished Goods		731,366,848	705,496,260
Less: Closing Stock of Finished Goods		924,652,766	731,366,848
Total Cost of Goods Sold		7,419,623,020	6,358,041,366

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

Dated: October 12, 2019

Place: Dhaka



ETP Plant for Safe Environment

AT A GLANCE 2018-2019



Directors at 23rd AGM



Shareholders at 23rd AGM



Indian High Commissioner to Bangladesh visited factory



Spanish Ambassador to Bangladesh visited factory



A delegation from High Commission of India, Dhaka visited factory



Delegates from Sportswear International visited factory



Kishor Alo visited factory



Blue Zone Exhibition stand in Germany



Marketing Team in a Photo Session



Birthday Celebration



Industrial Police Box, Bhaluka Handover Ceremony



Safe home for Birds initiative



Annual Sports Events



BUET students visited factory



BUP students visited factory







এনভয় টেক্সটাইলস লিমিটেড

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

২৪তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এই মর্মে সংশ্লিষ্ট সকলকে জানানো যাচ্ছে যে, এনভয় টেক্সটাইলস লিমিটেড-এর সম্মানিত শেয়ারহোল্ডারদের ২৪তম বার্ষিক সাধারণ সভা আগামী ২১শে ডিসেম্বর ২০১৯, শনিবার, সকাল ১০.০০ ঘটিকায় সামারাই কনভেনশন সেন্টার, ২৩/জি/৭ পাটুপাথ (বসুন্ধরা সিটি মার্কেটের বিপরীতে), ঢাকা-১২০৫ এ নিম্নবর্ণিত বিষয়সমূহ আলোচনা ও সিদ্ধান্ত গ্রহণের নিমিত্তে অনুষ্ঠিত হবেঃ

আলোচ্যসূচী

- আলোচ্যসূচী ১ঃ ৩০শে জুন, ২০১৯ তারিখে সমাপ্ত বছরের নিরীক্ষিত আর্থিক হিসাব বিবরণী এবং এর উপর পরিচালনা পর্ষদ ও নিরীক্ষকদের প্রতিবেদন গ্রহণ, বিবেচনা ও অনুমোদন।
- আলোচ্যসূচী ২ঃ ৩০শে জুন, ২০১৯ তারিখে সমাপ্ত বছরের লভ্যাংশ ঘোষণা।
- আলোচ্যসূচী ৩ঃ অত্র কোম্পানীর সংঘ-বিধি অনুযায়ী পরিচালকমণ্ডলী নির্বাচন।
- আলোচ্যসূচী ৪ঃ নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।
- আলোচ্যসূচী ৫ঃ স্বাধীন পরিচালক নিয়োগ।
- আলোচ্যসূচী ৬ঃ পেশাজীবী হিসাব রক্ষক/সচিব নিয়োগ।

পরিচালনা পর্ষদের নির্দেশক্রমে

এম সাইফুল ইসলাম চৌধুরী, এফসিএস
কোম্পানী সচিব
শনিবার, ১২ই অক্টোবর ২০১৯

রেজিস্টার্ড অফিসঃ
এনভয় টাওয়ার
১৮/ই, লেক সার্কাস কলাবাগান
পশ্চিম পাটুপাথ, ঢাকা-১২০৫

দ্রষ্টব্যঃ

- ২৪তম বার্ষিক সাধারণ সভার 'রেকর্ড ডেট' আগামী ১৪ই নভেম্বর, ২০১৯। উক্ত তারিখে যে সকল শেয়ারহোল্ডারের নাম সিডিএস ব্যবস্থাধীন শেয়ার রেজিস্টারে অন্তর্ভুক্ত থাকবে, তাঁরা সভায় উপস্থিত থেকে কার্যক্রমে অংশগ্রহণ করতে পারবেন এবং লভ্যাংশ গ্রহণের উপযুক্ত বলে বিবেচিত হবেন।
- যথাযথভাবে পূরণকৃত প্রয়োজনীয় মূল্যের রাজস্ব স্ট্যাম্প সংযুক্ত প্রক্সি ফরম বা পাওয়ার অব এটর্নি সভা শুরুর অন্তত ৪৮ ঘন্টা পূর্বে, অবশ্যই কোম্পানীর রেজিস্টার্ড অফিসে জমা দিতে হবে।
- বার্ষিক প্রতিবেদন-২০১৯ 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 24th Annual General Meeting
of the Company to held on Saturday, 21 December 2019 and at any adjournment thereof.
As witness by our hand on this _____ day of _____ 2019

Shareholder's

Signature : _____
Name : _____
BO A/C No. : _____

Witness

Signature : _____
Name : _____
Address : _____

Specimen Signature of the proxies

a. _____

Name

b. _____

Name

Revenue
Stamp

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 10.00AM of 19 December 2019, 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 পাছুপথ, 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 শনিবার, ২১ ডিসেম্বর ২০১৯ তারিখে অনুষ্ঠিতব্য কোম্পানীর ২৪তম বার্ষিক সাধারণ সভায় এবং তার মূলতবি ঘোষিত সভায় উপস্থিত হওয়া 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

বিশেষ দৃষ্টব্য: প্রতিনিধিপত্র যথাযথভাবে স্বাক্ষর করে ১৯ ডিসেম্বর ২০১৯ সকাল ১০.০০ টার মধ্যে কোম্পানীর নিবন্ধিত কার্যালয় এনভয় টাওয়ার, ১৮/ই, লেক সার্কাস কলাবাগান, পশ্চিম পাছুপথ, ঢাকা-১২০৫ এ অবশ্যই জমা দিতে হবে। অন্যথায় প্রতিনিধিপত্রটি গ্রহণযোগ্য হবে না।

রেভিনিউ
স্ট্যাম্প





Envoy Textiles Limited

Corporate & Registered Office: Envoy Tower (5th– 8th Floor)

18/E, Lake Circus Kalabagan, West Panthapath, Dhaka-1205

SHAREHOLDER'S ATTENDANCE SLIP

I/We hereby record my attendance at the 24th ANNUAL GENERAL MEETING being held on Saturday, 21 December 2019 at 10.00AM, at Samarai Convention Center, 23/G/7, Panthapath, Dhaka.

Name of Member(s) _____

Name of Proxy _____ Signature of Proxy _____

BO A/C #

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Signature of Shareholder(s)

NB 1. Please note that 24th ANNUAL GENERAL MEETING can only be attended by the honorable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honorable shareholder or proxy cannot be allowed into the meeting.

2. Please present this slip at the Registration Desk. Signature must match with your recorded signature.

OUR INTERNATIONAL STANDARDS



GREEN BUILDING CERTIFICATION



MANAGEMENT SYSTEM STANDARD



CU 813494



CU 813494



CU 813494



SUSTAINABLE RESPONSIBLE SOURCING CERTIFICATIONS



CODE OF CONDUCT IMPLEMENTATION



OUR COMMITMENT



SUSTAINABLE PROJECT IMPLEMENTATION



Envoy Textiles Limited

CORPORATE OFFICE

Envoy Tower, 18/E, Lake Circus, Kalabagan (West Panthapath), Dhaka-1205
Phone: +880-2-9102583-90, Fax : +880-2-9130162

FACTORY

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

HONG KONG OFFICE

Flat H, 16th Floor, King Palace Plaza, 55 King Yip Street, Kwun Tong, Kowloon, Hong Kong
Phone: +852-23779860, 23779870, Fax : +852-23779899

www.envoytextiles.com