

Unilever Consumer Care sees drop in Q3 profits

AHSAN HABIB

Unilever Consumer Care, formerly known as GlaxoSmithKline, witnessed a drastic year-on-year fall in profits in the July-September quarter of this year due to low sales amid the ongoing coronavirus pandemic.

Besides, global supply chain disruptions have made it difficult to secure raw materials, leading to a shortage of finished goods, said KSM Minhaj, chief executive officer and managing director of Unilever Consumer Care.

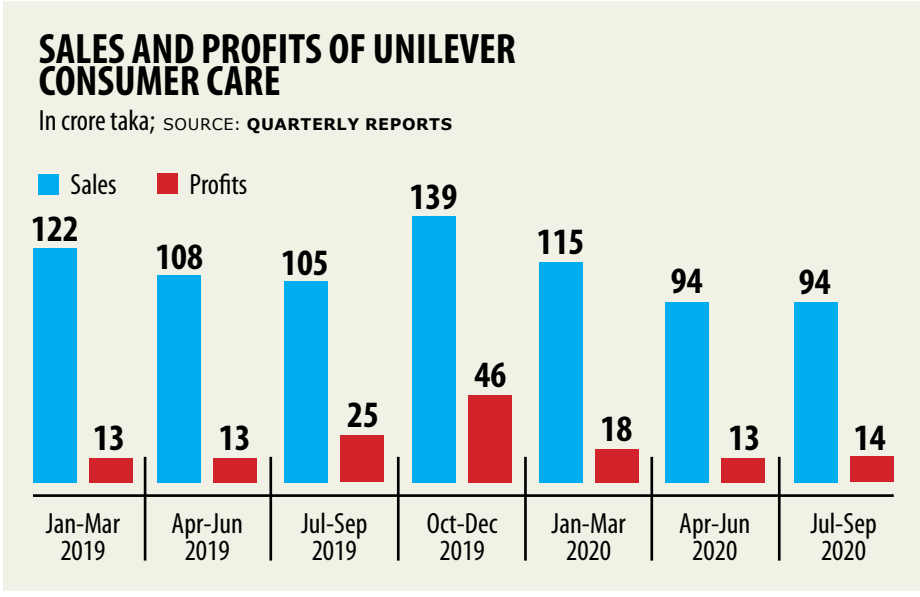
Sales receipts dropped by 10.39 per cent to Tk 94.17 crore between July-September quarter while profits fell 44.74 per cent to Tk 14.07 crore during the same period, the listed multinational's financial report shows.

The decline in profits is a result of decreased sales, rising cost of raw materials, increased customs duty on dry mix ingredients (DMI) and scrapping of the enterprise resource planning system, the company said in a disclosure published on the Dhaka Stock Exchange (DSE) website yesterday.

Unilever Consumer Care markets and sells around 400 brands in more than 190 countries. These include nutrition and oral healthcare products, led by brands such as Horlicks and Sensodyne.

"Our iconic health food drink brand, Horlicks, saw lower sales in the third quarter due to a shortage of imported DMIs," Minhaj said.

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Foodpanda faces Tk 3.4cr VAT evasion charge

STAR BUSINESS REPORT

Online food delivery service platform Foodpanda has been accused of evading value-added tax of about Tk 3.4 crore by concealing sales records and misusing service codes.

A case has been filed against the company under the VAT act for misuse of service code, concealment of actual sales information and non-payment of VAT at source, the VAT Intelligence Directorate said in a statement yesterday.

However, Ambareen Reza, co-founder and managing director of foodpanda, maintains that the company has always been fully compliant.

"We are working with the VAT authorities to clarify any discrepancies," she said.

The VAT Intelligence Directorate, a government office under the National Board of Revenue, uncovered the tax-dodging after it went through commercial records and documents that were seized during a recent raid of foodpanda's Gulshan office.

During the raid, VAT detectives recovered the laptop of a senior official of foodpanda and discovered some information that had been concealed.

After analysing the VAT related documents, it was unearthed that foodpanda has been conducting business while registered as a information technology service with the service code S-099.10.

By registering under that code, they have been avoiding VAT applicable on house rent.

"This code is not compatible with their business. They have been using it for the purpose of avoiding VAT on house rent," the statement reads.

Since it is an online platform, the service code of foodpanda should be of S-099.60. With this code, a 5 per cent VAT on sales and 15 per cent VAT on house rent are applicable.

READ MORE ON B3

Turkey wants to boost bilateral trade to \$2b

Says foreign minister

STAR BUSINESS REPORT

Turkey wants to boost relations with Bangladesh and take bilateral trade to \$2 billion a year at the soonest from about \$900 million now.

Foreign Minister AK Abdul Momen said this to journalists after Turkish Ambassador to Bangladesh Mustafa Osman Turan met him at state guest house Padma yesterday and handed over personal protective equipment (PPE).

Turan handed over 20 ventilators and associated components, 10,000 N95 masks, 10,000 medical gowns, 10,000 coveralls, 2,000 face shields and 5,000 protective glasses. This was the fourth time Turkey donated such materials during the pandemic.

Recalling his visit to Turkey and meeting Turkish President Recep Tayyip Erdogan in September this year, Momen said Turkey was committed to boosting trade with Bangladesh. President Erdogan has made a number of proposals to this end.

"The Turkish president is committed to boosting ties with Bangladesh. Trade should exceed \$2 billion," he told reporters referring to his meeting with Erdogan in September.

The bilateral trade stood at over \$900 million last year.

Momen said Turkish President Recep Tayyip Erdogan may visit Bangladesh to attend the Mujib Borsho celebration in March next year or the D-8 conference. The final celebrations will be held on March 17 next year.

"If the Covid-19 situation is good, he will come in person. We are working on it," he said.

Besides, Turkish foreign minister will come on a visit to Bangladesh soon to inaugurate the country's newly-built mission in Dhaka.

Momen thanked Turkey for the assistance to combat the coronavirus pandemic.

Govt approves Payra dredging, Dhaka water supply projects

STAR BUSINESS REPORT

The Cabinet Committee on Government Purchase (CCGP) yesterday approved four proposals involving Tk 428.98 crore while the Cabinet Committee on Economic Affairs (CCEA) one.

Of the CCGP approved amount, Tk 176.14 crore will come from the government exchequer while the remaining Tk 252.84 crore from Asian Development Bank as loan.

The approvals came at a CCGP meeting chaired by Finance Minister AHM Mustafa Kamal at the cabinet division.

Briefing reporters, Abu Saleh Mostafa Kamal, additional secretary to the cabinet, said two of the CCGP proposals were from Local Government Division while each from the Ministry of Water Resources, and Road Transport and Highways Division.

The CCEA one was a direct procurement proposal for emergency protective dredging of Rabnabad Channel of the Payra port (inner and outdoor channel).

READ MORE ON B2

UPGD

Energy is life

United Power Generation & Distribution Company Ltd.

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A Division of

UNITED GROUP

"Consolidated Financial Statements"
for the period ended on
30 September 2020

Dear Valued Shareholders

Board of Directors of United Power Generation and Distribution Company Limited (UPGDCL) in its 95th meeting held on 28 October 2020 at 5 p.m. at the Corporate Office, United House, United City, Madani Avenue, Dhaka-1212, has approved the "Consolidated Financial Statements" for the period ended on 30 September 2020 and disclosed the following information pertaining to the periodically consolidated financial performance of the Company as at / for the period ended on 30 September 2020.

Financial performance

Result for the Three months

July 2020 to September 2020

July 2019 to September 2019

Consolidated

Separate

Consolidated

Separate

Earning per Share (EPS)-Basic-Tk.
Net operating Cash flows per share (NOCFPS)-Tk.

5.55
4.14

2.39
2.68

3.06
3.62

2.36
2.06

Financial position

30 September 2020

30 June 2020

Consolidated

Separate

Consolidated

Separate

Net Assets Value (NAV) per share-Tk.

62.40
32.04

56.64
29.64

Consolidated Statement of Financial Position as at 30 September 2020

Figures in BDT

30 September 2020

30 June 2020

Consolidated

Separate

Consolidated

Separate

Assets

Property, plant and equipment
Capital Work In Progress (CWIP)
Right of use assets
Prepaid Lease rent
Investment in Subsidiary
Total Non-current assets

42,329,607,125
1,650,077,071
218,711,304
-
-
44,198,395,500

7,941,493,024
-
24,381,490
-
5,317,935,192
13,283,809,706

19,097,479,899
1,615,721,811
224,133,730
-
-
20,937,335,440

8,021,031,738
5,176,876,020
24,747,212
-
3,297,000
8,049,075,950

Current assets

Inventories
Trade receivables
Receivable from related party
Advance, deposits and prepayments
Investment in marketable securities
Cash and cash equivalent
Total Current assets
Total assets

2,358,539,683
9,869,594,833
12,880,191,186
211,872,351
112,176,482
317,453,729
25,749,828,265
69,948,223,765

698,378,169
1,287,775,648
6,955,728,666
67,018,260
112,176,482
61,398,464
9,182,475,689
22,466,285,395

1,331,234,455
2,726,449,063
10,417,707,665
155,016,092
92,817,221
417,010,048
15,140,234,544
36,077,569,984

734,840,489
1,407,646,707
5,176,876,020
71,814,584
92,817,221
323,879,180
7,807,874,201
15,856,950,151

Shareholders' Equity

Share capital
Share premium
Revaluation reserve
Retained earnings
Equity attributable to the owners of the company
Non controlling interest
Total Shareholders' Equity

5,269,957,000
2,046,000,000
57,291,285
24,859,320,321
32,232,568,606
653,966,926
32,886,535,532

5,269,957,000
2,046,000,000
-
9,566,966,684
16,882,923,684
-
16,882,923,684

5,269,957,000
2,046,000,000
57,459,283
21,933,085,610
29,306,501,893
544,709,204
29,851,211,097

5,269,957,000
2,046,000,000
-
8,305,986,678
15,621,943,678
-
15,621,943,678

Liabilities

Long term loan
Security Money Received
Land lease Liability
Non-current liabilities

12,777,329,068
700,000
24,912,609
12,802,941,677

-
700,000
24,912,609
25,612,609

4,081,869,702
700,000
24,449,893
4,107,019,595

-
700,000
24,449,893
25,149,893

Current liabilities

Deferred revenue
Trade and other payables
Accrued expenses
Long Term Loan- Current Portion
Land lease Liability
Payable to related party
Provision for taxation
Total Current liabilities
Total Equity and Liabilities

263,191,682
10,240,003,515
233,406,220
5,413,107,938
221,511
8,078,817,385
29,998,306
24,258,746,556
69,948,223,765

-
5,508,046,847
19,231,847
-
221,511
30,248,897
-
5,557,749,102
22,466,285,395

263,191,682
268,276,794
24,187,066
782,948,179
905,739
750,470,660
29,359,173
2,119,339,292
36,077,569,984

-
156,313,540
18,988,856
-
-
33,648,445
-
209,856,580
15,856,950,151

Net Assets Value (NAV) per share-Tk.

56.64
36.53

57.09
36.53

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Period ended 30 September 2020

Figures in BDT

Three month result

July 2020 to September 2020

July 2019 to September 2019

Consolidated

Separate

Consolidated

Separate

Revenue
Cost of sales
Gross profit
General and administrative expenses
Other operating income
Operating profit
Finance income
Foreign exchange gain/(loss)
Finance costs
Profit before tax
Income Tax expenses
Profit after tax
Other comprehensive income
Total comprehensive income

9,224,771,503
(6,095,053,060)
3,129,718,443
(17,330,246)
41,565,441
3,153,953,638
116,816,789
(75,517)
(288,878,926)
2,981,815,984
(174,765)
2,981,641,219
-
2,981,641,219

1,703,730,799
(590,891,996)
1,112,838,803
(9,331,322)
41,553,471
1,145,060,952
116,291,019
100
(372,065)
1,260,980,007
-
1,260,980,007
-
1,260,980,007

2,765,041,135
(1,127,240,324)
1,637,800,811
(15,218,882)
3,655,580
1,626,237,509
171,560,067
(16,053,802)
(134,060,552)
1,647,683,422
(103,829)
1,647,579,593
-
1,647,579,593

1,681,207,898
(598,283,581)
1,082,924,317
(13,171,672)
3,637,310
1,073,389,955
171,281,683
-
-
1,244,671,638
-
1,244,671,638
-
1,244,671,638

Total Comprehensive Income attributable to:
Owners of the Company
Non-controlling Interest
Total Comprehensive Income

2,926,066,712
55,574,508
2,981,641,220

-
-
-

1,614,553,064
33,026,529
1,647,579,593

-
-
-

Earning per Share (EPS)-Tk.

5.55
2.39

3.06
2.36

Consolidated Statement of Changes in Equity for the Period ended 30 September 2020

Figures in BDT

Attributable to owners of the company

Share Capital

Share Premium

Retained Earnings

Revaluation reserve

Minority Interest

Total Equity

Balance as at 1 July 2020
Net profit for the year
Depreciation in revalued asset
Equity capital added of non-controlling interest
Balance as at 30 September 2020

5,269,957,000
-
-
-
5,269,957,000

2,046,000,000
-
-
-
2,046,000,000

21,933,085,610
2,926,066,712
167,998
-
24,859,320,320

57,459,283
(167,998)
(167,998)
-
57,291,285

544,709,204
55,574,508
53,683,214
-
653,966,927

29,851,211,097
2,981,641,220
53,683,214
-
32,886,535,532

Balance as at 1 July 2019
Net profit for the year
Minority interest added during the year
Depreciation in revalued asset
Dividend paid to subsidiary company
Balance as at 30 September 2020

4,790,870,000
-
-
-
4,790,870,000

2,046,000,000
-
-
-
2,046,000,000

22,704,577,678
1,614,553,064
167,998
-
24,319,298,740

58,131,275
-
(167,998)
-
57,963,277

488,158,794
33,026,529
1,000,000
(88,183,200)
434,002,123

30,087,737,747
1,647,579,593
1,000,000
(88,183,200)
31,648,134,140

Statement of Changes in Equity for the Period ended 30 September 2020

Figures in BDT

Share Capital

Share Premium

Retained Earnings

Total Equity

Balance at 1 July 2020
Profit for the year
Balance as at 30 September 2020

5,269,957,000
-
5,269,957,000

2,046,000,000
-
2,046,000,000

8,305,986,678
1,260,980,006
9,566,966,684

15,621,943,678
1,260,980,006
16,882,923,684

Balance at 1 July 2019
Profit for the year
Balance as at 30 September 2020

4,790,870,000
-
4,790,870,000

2,046,000,000
-
2,046,000,000

10,664,437,759
1,244,671,638
11,909,109,397

17,501,307,759
1,244,671,638
18,745,979,397

Consolidated Statement of Cash Flows for the for the Period ended 30 September 2020

Figures in BDT

July 2020 to September 2020

July 2019 to September 2019

Consolidated

Separate

Consolidated

Separate

Cash flows from operating activities
Cash received from customers
Cash received from other sources
Cash paid to suppliers and others
Tax paid
Financial expenses paid
Net cash flow from operating activities

6,099,505,698
22,204,553
(3,651,710,965)
(655,373)
(286,130,933)
2,183,212,980

1,823,848,199
21,666,813
(433,364,061)
-
(372,065)
1,411,778,887

2,769,745,380
5,070,291
(728,799,136)
(1,799,481)
(134,060,552)
1,910,156,502

1,565,515,764
4,773,637
(485,550,788)
-
-
1,084,738,613

Cash flows from investing activities
Acquisition of property, plant and equipment
Cash received/(paid) for related party loan
Net cash used in investing activities

(72,740,826)
1,399,006,029
1,326,265,203

(11,386,918)
(1,662,561,626)
(1,673,948,544)

(186,796,952)
209,517,340
22,720,388

(4,850,404)
1,060,013,178
(1,064,863,582)

Cash flows from financing activities
Dividend paid
Land lease payment
Cash received/(paid) for related party loan
Short term loan received/(paid)
Long term loan paid
Net cash used in financing activities
Net (decrease)/increase in cash and cash equivalents
Cash and cash equivalents
Effect of movements in exchange rates on cash held
Cash and cash equivalents

(1,387,783,825)
(221,511)
(2,069,477,643)
(99,043,459)
(221,499,553)
(3,778,025,991)
(268,547,808)
586,001,537
-
317,453,729

(89,546)
(221,511)
-
-
-
(311,057)
(262,480,715)
323,879,180
-
61,398,464

(46,425)
-
-
-
(3,900,829,339)
(3,900,875,763)
(1,967,998,874)
3,322,180,442
-
1,354,181,569

(46,425)
-
-
-
-
(46,425)
19,828,606
1,009,871,492
-
1,029,700,098

Net operating Cash flows per share (NOCFPS)-Tk.

4.14
2.68

3.62
2.06

Date: 28 October 2020

By order of the board

Sd/-

(B. H. Khan FCA)

Company Secretary