

Deposit, lending growth fuels IDLC's profit

GAZI TOWHID AHMED

IDLC Finance's net profit rose 165.34 percent to Tk 42.75 crore year-on-year in the July-September period of this year thanks to the firm's growth in deposit and lending.

The growth in small and medium enterprises and consumer segment business also helped in increasing the profit in the third quarter.

IDLC's deposit and lending businesses—corporate, small and medium enterprises, and consumer division client segments—all recorded good business growth, said Selim RF Hussain, managing director of the non-bank financial institution.

In the last nine months of this year, deposits grew 13 percent, or Tk 380 crore, to Tk 3,297 crore, while lending increased 17 percent, or Tk 646 crore, to Tk 4,346 crore.

As on September, 2014, deposits accounted for 85 percent of IDLC's funding portfolio, he said. "We are confident of achieving continued quality growth in our

SME and consumer segment businesses."

IDLC's two capital market subsidiaries—IDLC Securities and IDLC investments—have been negatively impacted by a bearish stockmarket and low turnover in the first six months leading up to June, but they are doing better in Q3, he said.

The non-performing loan ratio of the company is very low compared to other NBFIs mainly because of our focus on quality growth of assets and the continued improvements in the credit and collection function across all three client segments."

IDLC's non-performing loan ratio will stand at 1.9, due to smart management of loans in the upcoming year, Hussain said.

IDLC offers 9.5 percent interest for deposit, while other similar operatives offer 12-13 percent, he said. The company's earnings stood at Tk 2.13 for each share, with market price standing at Tk 77.6.

IDLC is going to be the strongest brand among NBFIs due to its professional workforce, he said.

ERD launches database for aid transparency

STAR BUSINESS REPORT

The Economic Relations Division (ERD) yesterday launched a web-based software application for better management of foreign aid. Finance Minister AMA Muhith unveiled the online software -- Aid Information Management System (AIMS) -- at a ceremony organised by ERD at its office in the capital.

The new system will give everyone access to information pertaining to the inflow and disbursement of foreign aid.

Aid data is important towards understanding national resources coming from both domestic and external sources, Muhith said.

Over the last 10 years, the country received foreign assistance worth \$1.85 billion each year and was among the top 20 aid recipients globally. Foreign aid constitutes over 35 percent of the development budget of Bangladesh.

"I am very encouraged that ERD has launched the aid management system, which will enhance transparency and ensure better management of foreign assistance," said Prime Minister's Economic Affairs Adviser Mashru Rahman.

It would be helpful to predict aid flow for national budgets, improve the overall alignment of assistance with the country's priorities and help better target the use of growing domestic resources, he said.

Installation of a system is the easiest part, but ensuring its practical use would be the real challenge, he said.

ERD now needs to train all stakeholders including the ministry officials to familiarise them with the system, he said.

Foreign assistance in gross domestic product stands even less than 2 percent, said M Abdul Mannan, state minister for finance and planning.

Bangladesh dependence on foreign assistance is falling gradually, he said.

The overall objective of such an online database is to provide a common aid data sharing platform for all stakeholders to increase aid transparency, strengthen mutual accountability and improve efficient aid management, said Mohammad Mejbahuddin, ERD secretary.

Aid transparency is a cardinal element to developing effectiveness as it helps cut costs of managing foreign assistance, he said.

The online reporting to AIMS will soon replace the offline reporting to ERD wings currently done by development partners on a regular basis, he added. The system developed by Bangladesh is compliant with the data standard set by the International Aid Transparency Initiative, ERD said.

The development partners need to log into the system to provide data. Seventeen development partners have registered so far.

Novo Nordisk high official due today

STAR BUSINESS DESK

Karin Wierinck, corporate vice president of people and organisation for Novo Nordisk International operations, is scheduled to arrive in Dhaka for a short visit today.

Wierinck will meet with Novo Nordisk Bangladesh's management, visit BIRDEM and attend an award ceremony of the DLP programme, the company said in a statement yesterday.



Bangladesh Lamps Limited

Financial Statements

3rd Quarter 2014

Sadar Road, Mohakhali
Dhaka - 1206

STATEMENT OF FINANCIAL POSITION (UN - AUDITED)

AS AT 30 SEPTEMBER 2014

As at	As at
30 September 2014	31 December 2013
Taka	Taka

Assets

Property, plant and equipment	138,762,327	163,421,982
Capital work in progress	2,154,374	630,000
Intangible assets	707,054	1,025,222

Investments:

At cost	55,346,673	55,346,673
Fair value adjustment	356,565,341	305,912,432

Loans and deposits

4,845,497	3,340,953	
Total non-current assets	558,381,266	529,677,262

Inventories

238,590,025	248,351,772	
Trade and other debtors	279,539,360	248,436,940
Advance, deposits and prepayments	12,994,498	6,570,224
Advance income tax	142,922,012	123,360,944
Cash and cash equivalents	27,781,491	2,715,841

Total Current assets

701,827,386	629,435,718
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Total assets

1,260,208,652	1,159,112,980
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Equity

Share Capital	93,706,080	93,706,080
Reserves and surplus	537,013,604	497,113,514
Total equity	630,719,684	590,819,594

Liabilities

Long term loan	12,952,696	28,441,377
Deferred liability - gratuity payable	45,117,032	44,898,845
Deferred tax liability	6,344,646	10,247,909
Total non-current liabilities	64,414,374	83,588,131

Current portion of long term loan

20,651,574	20,651,574
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Short term finance

288,897,483	250,421,311
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Trade and other creditors

109,078,241	75,002,648
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Accrued expenses

12,965,731	12,486,967
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Other liabilities

10,608,709	9,576,627
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Provision for tax

105,658,336	96,641,298
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Provision for royalty

17,214,520	19,924,830
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Total current liabilities and provisions

565,074,594	484,705,255
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Total liabilities

629,488,968	568,293,386
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Total equity and liabilities

1,260,208,652	1,159,112,980
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STATEMENT OF COMPREHENSIVE INCOME (UN - AUDITED)

FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2014

1 January to

30 September 2014

1 January to

30 September 2013

Taka

Taka	Taka
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Sales (net of VAT and SD)

877,630,757	340,717,825
(672,687,264)	(567,911,082)
204,943,493	206,545,044

Cost of goods sold

16,667,544	10,115,089
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Other income

(199,586,186)	(210,149,217)
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Operating expenses

21,651,855	6,510,916
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Profit/(loss) from operation

6,510,916	10,617,675
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Finance expense :

Finance expense	(17,011,224)	(30,210,779)
Finance income	9,115,654	2,603,595

Net finance expense

(7,895,570)	(12,357,875)
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Profit/(loss) before contribution to WPPF

13,757,281	5,846,959
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Contribution to WPPF

(655,109)	(388,224)
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Profit/(loss) before income tax

13,102,172	5,846,959
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Income tax :

Current tax	(9,017,038)	(3,972,281)
Deferred tax	3,903,263	4,342,131

Net profit/(loss) for the period

7,988,397	(5,477,109)
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Other comprehensive income/(loss) :

Changes in fair value of financial assets	50,652,909	(28,786,669)
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Total comprehensive income/(loss)

58,641,306	102,720,773
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Earning per share (par value Tk. 10 each)

0.85	0.29
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STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2014