BTRC gets new chairman

STAR BUSINESS REPORT

The government yesterday appointed Bangladesh Telecommunication Regulatory Commission's legal commissioner as its chairman.

Md Jahurul Haque had been serving as legal commissioner for about three and a half years.

A former sessions judge of Dhaka Metropolitan Sessions Judge Court, Haque will take on his new office till December 20, 2020, according to a gazette notification.

He had also been performing duties as acting chairman since May 7 last year when the tenure of his predecessor, Shahjahan Mahmood, had ended.

US, China launch high level trade talks amid deep differences

REUTERS, *Washington*

The United States and China were set to try again on Wednesday to dig out from a damaging trade war with a new round of high-level talks aimed at bridging deep differences over China's intellectual property and technology transfer policies.

Cabinet-level officials, led by Chinese Vice Premier Liu He and US Trade Representative Robert Lighthizer, are due to begin two days of talks at 9 a.m. EST (1400 GMT) next door to the White House. They come with about a month left in a 90-day trade truce agreed in December by President Donald Trump and Chinese President Xi Jinping.

People familiar with the talks and trade experts watching them say that, so far, there has been little indication that Chinese officials are willing to address core US demands to protect American intellectual property rights and end policies that Washington says force US companies to transfer technology to Chinese firms.

The US complaints, along with accusations of Chinese cyber theft of US trade secrets and a systematic campaign to acquire US technology firms, were used by the Trump administration to justify punitive US tariffs on $250 billion worth of Chinese imports.

Trump has threatened to raise tariffs on $200 billion of goods to 25 percent from 10 percent on March 2 if an agreement cannot be reached. He has also threatened new tariffs on the remainder of Chinese goods shipped to the United States. China has retaliated with tariffs of its own, but has suspended some and is allowing some purchases of US soybeans during the talks.

"Clearly on the structural concerns, on forced technology transfer, there remains a significant gap if not a wide chasm between the two sides," a person familiar with the talks told Reuters.

Chinese officials deny that their policies coerce technology transfers.

They have emphasized steps already taken, including reduced automotive tariffs and a draft foreign investment law that improves access for foreign firms and promises to outlaw "administrative means to force the transfer of technology."

China is fast-tracking that new law, with the country's largely rubber-stamp parliament likely to approve it in March. A crucial component of any progress in the talks, according to top administration officials, is agreement on a mechanism to verify and "enforce" China's follow-through on any reform pledges that it makes. This could maintain the threat of US tariffs on Chinese goods for the long term. Some business groups watching the talks were tempering expectations for a breakthrough.

With a month to go before the deadline, it was unlikely that either side would put their best offers on the table in the next two days, said Erin Ennis, senior vice president of the US-China Business Council.

"I don't think there's going to be any big outcome," Ennis said of the talks scheduled for Wednesday and Thursday. "Hopefully they make some good progress that will set them up to be able to get to completion at the end of the 90 days."

But the Chinese side, led by Vice Premier Liu He, would likely have to bring to the table a new offer that goes significantly beyond its previous offers to significantly increase purchases of US goods, including soybeans, energy and manufactured goods.

People familiar with the talks said manufactured goods, a key priority for the Trump administration, were among the largest components of Chinese purchase pledges aimed at significantly reducing the US trade deficit with China. But here, too, there are "no guarantees" that Beijing would follow through on these pledges, one of the people said.

EBL

M Khorshed Anowar, head of retail and SME banking of Eastern Bank, opens an agent banking outlet on Baghbari Road in Savar on Monday.

Govt to help create 5,000 e-commerce entrepreneurs

FROM PAGE B1

Following an evaluation, the e-CAB will invite trainees to join an 11-day camp. They will start off with two batches, each comprising 50 trainees, said Tomal. "The government envisions developing online commerce in the country and that's why they have funded us to create a bunch of entrepreneurs; we have taken the lead," he said.

Leaders of the e-CAB said, although a market had already developed amid rising demand, there was a lack of innovation and entrepreneurs.

The online business has developed into an annual market of around Tk 2,000 crore and is growing by about 100 percent every year, estimates the e-CAB. It says to have targeted to bring about 1 lakh online business platforms and the training was the preliminary step.

Tamal quoted global reports as saying that 70 percent of business across the globe would be conducted online by 2025. The whole ecosystem will change within the next five years and the new generation cannot survive if they fail to stay in sync with it. That is why the initiative has been taken in line with the government aim, says the association.

French authorities reject Ford plant closure plan

AFP, *Bordeaux*

French authorities have rejected a plan put forward by US auto-maker Ford to close one of its plants, giving a Franco-Belgian equipment manufacturer more time to improve a buy-out offer.

Authorities in the southwest, where Ford's Acquitaine Industries plant at Blanquefort has been turning out gear boxes since 1972, Monday evening rejected the company's plan to lay off 850 workers, citing procedural "non-compliance" as a reason.

Government sources said the decision gives Strasbourg-based Punch-Powerglide two more weeks to "beef up" a buy-out offer earlier rejected by Ford.

French authorities will then have 21 days to review the situation. They also want Ford to improve its own offer to help preserve local jobs once the plant closes its plant in August.

Philippe Poutou, a local Confederation Generale du Travail trade union representative and nationally-known left-wing politician, welcomed news of the delay.

"It will force Ford to reexamine things and look more seriously at Punch's offer which is backed by the employees," he told AFP.

"It gives us a few more weeks to improve the chances of saving the factory," he added.

"Additional time does not guarantee that we shall succeed because we know there are difficulties over how the would-be buyer will finalise his offer, but at least the battle can go on," Poutou said.

A buy-out by Punch-Powerglide could save 350 jobs at the plant, according to Jean-Marc Chavant, an Force Ouvriere trade union representative.

GFI figure questioned

FROM PAGE B1

Abu Hena Mohd Razee Hassan, head of Bangladesh Financial Intelligence Unit (BFIU), yesterday said the GFI gave two sets of estimates: one based on data of International Monetary Fund and the other on United Nations data.

He said on the basis of IMF data, money was laundered abroad but it also entered the country. The UN data showed the amount of money coming in is more than the outflow.

"More study is required on how much has flown out," said Hassan while releasing the monetary policy statement at the central bank.

The Washington-based research and advisory firm came out with the findings by analysing the data of trade in goods of 148 developing countries with advanced economies. On the basis of the IMF data, it said $2.36 billion entered the country in 2015 and the outflow was $5.9 billion.

According to the GFI, the illicit outflow was $2.67 billion from Bangladesh using the United Nations Comtrade's trade statistics dataset, and inflow was $2.79 billion, meaning the inflow was higher by $0.12 billion.

The GFI said while the Comtrade dataset is more detailed, not all countries provide their trade data to the UN and therefore are not represented in this analysis.

Hassan said, "If you look at the trend, the money going out of the country is decreasing gradually."

"It was $7.2 billion in 2012, $9.6 billion in 2013, $6.3 billion in 2014, and $5.9 billion in 2015."

Hassan said the two results were of two types but the BFIU had taken it seriously and taken several steps to prevent money laundering.

"More steps are underway," he said.

Farmers Bank renamed Padma Bank

FROM PAGE B1

As of September of 2018, default loans stood at Tk 3,071 crore at the private commercial bank, up from Tk 723 crore in 2017.

Muhiuddin Khan Alamgir and Md Mahabubul Haque Chisty, the then board chairman and chairman of the audit committee respectively, were forced to resign.

Allegations of corruption against them became deafening and depositors, which included government agencies, started pulling out money.

This prompted the central bank and the government to step in and rescue the bank.

Smartphone import plummets 21pc

FROM PAGE B1

"The penetration of 4G handsets growth is not up to the mark," said Shahed Alam, head of corporate and regulatory affairs at Robi.

At present, about 40 percent of the handsets in use are 3G-enabled and the 4G-enabled devices number is only 18 percent to 19 percent.

If the penetration of 4G-enabled handset ends up being the same five years after the rollout of the service, the industry would not have much prospect, said the Robi executive at a discussion held at the InterContinental Hotel in Dhaka on Monday.

BB unveils a cautiously optimistic monetary policy

FROM PAGE B1

The MPS called for market rate-linked rationalisation of the pricing of national savings certificates for market development and fiscal discipline.

The Bangladesh Bank has also given importance to dousing inflationary pressures as core inflation—which is an indicator of underlying long-term inflation—is on the way up.

Core inflation, which does not include food and fuel prices, shot up to 4.52 percent in December last year from 3.74 percent from six months earlier.

"Even though inflation is below the fiscal target of 5.60 percent, there is no scope for relaxation because of the upward trend of core inflation," Kabir said while unveiling the MPS.

In its monetary policy statement, the central bank has projected the country's GDP growth will remain in the range of 7.5 to 8.2 percent in fiscal 2018-19.The central bank has given priority to bringing down the default loan by ensuring corporate governance in the financial sector.

The ratio of non-performing loans in the banking sector stood at 11.45 percent of the outstanding loans as of September last year, which added an extra 1 percentage point to the interest rate on lending.

The foreign exchange reserve may also face pressure between January and June because of import payments, Kabir said.

Ahsan H Mansur, executive director of the Policy Research Institute, said the banking regulator should offer flexibility to the foreign exchange market with the view to averting the pressure on reserves.

The unnecessary import of goods would be barred if the central bank stops injecting dollar into the market.

"The central bank will have to take measure to fix the interest rate on both lending and deposit to keep up with the market demand. Otherwise, implementation of monetary policy will be difficult," he added.

UNILEVER

Tanzeen Ferdous Alam, marketing director for home care, food & refreshment at Unilever Bangladesh; Khandaker Ashik Iqbal, head of marketing and communication at Samsung Bangladesh, and Firoze Mohammad, director operations at Fair Electronics, authorised distributor of Samsung in Bangladesh, attend a deal signing ceremony between the Unilever and Fair at the latter's office in Dhaka recently. One kilogramme of Surf Excel Matic will be provided with each purchase of Samsung washing machines.

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Bangladesh Lamps Limited

Sadar Road, Mohakhali, Dhaka - 1206

2nd Quarterly Financial Statements
October-December 2018

STATEMENT OF FINANCIAL POSITION (UN - AUDITED)
AS AT 31 DECEMBER 2018

	As at 31 December 2018 Taka	As at 30 June 2018 Taka
ASSETS		
Non-current assets		
Property, plant and equipment	112,847,415	113,124,245
Investments:		
At cost	88,527,133	88,527,133
Fair value adjustment	596,825,981	524,610,661
	685,353,114	613,137,794
Loans and deposits	6,394,675	8,166,128
Total non-current assets	**804,595,204**	**734,428,167**
Current assets		
Inventories	608,325,313	572,080,254
Trade and other receivables	228,994,803	277,254,356
Advance, deposit and prepayments	23,014,072	21,689,419
Advance income tax	301,329,664	279,728,940
Cash and cash equivalent	135,358,935	103,476,432
Total current assets	**1,297,022,787**	**1,254,229,401**
TOTAL ASSETS	**2,101,617,991**	**1,988,657,568**
EQUITY & LIABILITIES		
Capital and reserves		
Share capital	93,706,080	93,706,080
Reserves and surplus	790,337,163	736,458,398
Shareholders' equity	**884,043,243**	**830,164,478**
Non-current liabilities		
Deferred liability - gratuity payable	50,489,083	49,998,937
Deferred tax liability	55,897,001	50,203,814
Total non-current liabilities	**106,386,084**	**100,202,751**
Current liabilities		
Short term finance	630,165,562	612,612,270
Trade and other payables	213,749,552	202,391,773
Other liabilities	94,743,669	76,241,380
Provision for tax	172,529,881	167,044,916
Total current liabilities	**1,111,188,664**	**1,058,290,339**
TOTAL EQUITY & LIABILITIES	**2,101,617,991**	**1,988,657,568**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN - AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

	1 July to 31 December 2018 Taka	1 July to 31 December 2017 Taka	1 October to 31 December 2018 Taka	1 October to 31 December 2017 Taka
Revenue	773,878,913	681,238,946	408,314,082	366,228,048
Cost of sales	(595,614,834)	(516,737,236)	(313,551,818)	(276,564,230)
Gross profit	**178,264,079**	**164,501,710**	**94,762,264**	**89,663,818**
Other income	5,191,514	5,001,315	3,204,619	3,224,618
Operating expenses	(149,674,462)	(142,183,453)	(76,689,165)	(74,750,576)
Profit before net finance cost	**33,781,131**	**27,319,572**	**21,277,718**	**18,137,860**
Finance cost	(25,623,485)	(10,649,917)	(13,055,306)	(5,135,562)
Finance income	4,004,306	1,722,822	1,894,110	867,900
Net finance cost	**(21,619,179)**	**(8,927,095)**	**(11,161,196)**	**(4,267,662)**
Profit before contribution to WPPF	**12,161,952**	**18,392,477**	**10,116,522**	**13,870,198**
Contribution to WPPF	(579,140)	(875,832)	(481,739)	(660,485)
Profit before income tax	**11,582,812**	**17,516,645**	**9,634,783**	**13,209,713**
Income tax :				
Current tax	(5,484,965)	(7,195,023)	(3,921,769)	(4,825,856)
Deferred tax	1,528,345	2,554,700	907,836	1,221,177
Net profit for the period	**7,626,192**	**12,876,322**	**6,620,850**	**9,605,034**
Other comprehensive income :				
Changes in fair value of financial assets	72,215,321	148,747,828	1,383,564	(27,289,838)
Deferred tax income/(expenses)	(7,221,532)	(68,124,883)	(138,356)	2,728,983
Other comprehensive income/(loss)	**64,993,789**	**80,622,945**	**1,245,208**	**(24,560,855)**
Total comprehensive income	**72,619,981**	**93,499,267**	**7,866,058**	**(14,955,821)**
Earnings per share (par value Tk. 10 each)	0.81	1.37	0.71	1.03

STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

	1 July to 31 December 2018 Taka	1 July to 31 December 2017 Taka
A. Cash flows from operating activities		
Collection from customers	916,873,012	774,663,536
Payment to suppliers	(514,345,116)	(393,102,319)
Payment to employees	(103,051,638)	(89,867,086)
Payment for services received	(131,490,408)	(142,611,981)
VAT paid	(95,272,658)	(79,452,551)
Contribution to provident fund	(1,720,842)	(1,708,519)
Cash generated from operation	70,992,350	67,921,080
Cost recovery	6,164,603	1,317,000
Collection from sale of scrap and others	210,229	20,000
Interest paid	(23,959,599)	(8,995,825)
Income tax paid	(21,600,724)	(14,428,922)
Net cash generated from/(used to) operating activities	31,806,859	45,833,333
B. Cash flows from investing activities		
Dividend received	-	1,427,983
Payment for acquisition of property, plant and equipment	(13,980,357)	(17,863,523)
Net cash inflows/(outflows) from investing activities	(13,980,357)	(16,435,540)
C. Cash flows from financing activities		
Dividend paid	(3,497,291)	(24,870,575)
Net cash inflows/(outflows) from financing activities	(3,497,291)	(24,870,575)
D. Net cash inflows/(outflows) for the period (A+B+C)	**14,329,211**	**4,527,218**
E. Opening cash and cash equivalents	**(509,135,838)**	**(240,413,072)**
Cash and cash equivalents	103,476,432	64,548,138
Short term finance	(612,612,270)	(304,961,210)
F. Closing cash and cash equivalents (D+E)	**(494,806,627)**	**(235,885,854)**
Cash and cash equivalents	135,358,935	97,353,738
Short term finance	(630,165,562)	(333,239,592)

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

	Share Capital Taka	Capital Reserve Taka	General Reserve Taka	Fair value Reserve Taka	Retained Earnings Taka	Total Taka
Balance as at 1 July 2018	**93,706,080**	**2,305,167**	**221,524,520**	**472,149,595**	**40,479,116**	**830,164,478**
Dividend	-	-	-	-	(18,741,216)	(18,741,216)
Transferred to general reserve	-	-	21,737,900	-	(21,737,900)	-
Net profit for the period	-	-	-	-	7,626,192	7,626,192
Other comprehensive income	-	-	-	64,993,789	-	64,993,789
Balance as at 31 December 2018	**93,706,080**	**2,305,167**	**243,262,420**	**537,143,384**	**7,626,192**	**884,043,243**
Balance as at 1 July 2017	**93,706,080**	**2,305,167**	**183,416,823**	**532,500,999**	**66,219,521**	**878,148,590**
Dividend	-	-	-	-	(28,111,824)	(28,111,824)
Transferred to general reserve	-	-	38,107,697	-	(38,107,697)	-
Net profit for the period	-	-	-	-	12,876,322	12,876,322
Other comprehensive income	-	-	-	80,622,945	-	80,622,945
Balance as at 31 December 2017	**93,706,080**	**2,305,167**	**221,524,520**	**613,123,944**	**12,876,322**	**943,536,033**

COMPARATIVE STATEMENT FOR INFORMATION OF THE SHAREHOLDERS
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

	July- December, 2018 Taka	July- December, 2017 Taka
Earnings per share (EPS)	0.81	1.37
Net assets value (NAV) per share	94.34	100.69
Net operating cash flow per share (NOCFPS)	3.39	4.89

Company Secretary | Chief Financial Officer | Director

Director | Managing Director

The detail of the published quarterly financial statements is available in the website of Bangladesh Lamps Limited. The address of the website is www.bll.com.bd