



Long queues form behind a truck of the Trading Corporation of Bangladesh selling sugar, lentil, soybean oil and onion at subsidised rates under an Open Market Sale initiative aimed at keeping market prices stable. Lentil here sold for Tk 60 per kilogramme, whereas in Dhaka markets prices hover between Tk 105 and Tk 110. The photo was taken in the capital's Rampura yesterday.

PHOTO: SK ENAMUL HUQ

GP's profit down despite higher revenue

STAR BUSINESS REPORT

Grameenphone's net profit dropped 8.2 per cent year-on-year to Tk 3,413 crore in 2021 despite an uptick in overall revenue, owing to higher finance costs and tax expenses.

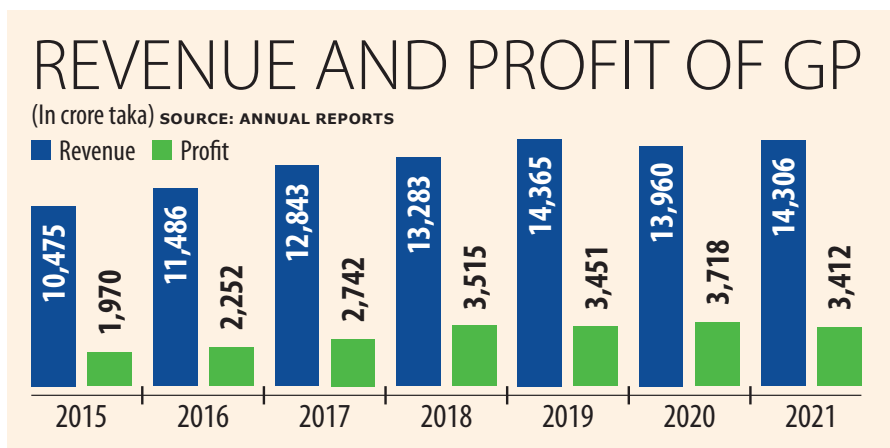
The largest mobile phone operator in Bangladesh took home Tk 14,306 crore in revenue, against Tk 13,960 crore in 2020, up 2.5 per cent, according to its financial statement for 2021.

Yasir Azman, chief executive officer of Grameenphone, said the ongoing pandemic brought about several hurdles in 2021, as Bangladesh faced its highest wave of Covid-19, followed by lockdowns.

"The resilience of our employees, partners, stakeholders and local communities has enabled us to continue providing seamless connectivity to our customers," he said in a press release.

The board has recommended a 125 per cent interim cash dividend for 2021, taking the total to 250 per cent for the entire year. GP shares closed 1.13 per cent lower at Tk 351.40 on the Dhaka Stock Exchange yesterday.

Throughout the year, the operator



prioritised network rollout and spectrum deployment, leading to an improved and enhanced experience for customers.

Additionally, with operational execution, customer-centric product propositions, digitalisation of services and digital enablement, more subscribers opted to choose Grameenphone as their preferred digital and telecommunications service

provider, Azman said in a press release.

In the fourth quarter of 2021, it invested Tk 654 crore for network coverage and expansion. The net profit margin for 2021 stood at 23.9 per cent.

Grameenphone has reported an improved financial performance in 2021, driven by higher users and usage due to network and experience enhancement, said Jens Becker, chief financial officer of the operator.

In the fourth quarter, subscription and traffic revenues grew by 3.6 per cent while data usage rose 49 per cent from the same period last year.

Due to the favourable one-off adjustments in finance cost and tax expenses in the fourth quarter of last year, the profit declined, he added.

Net finance costs rose to Tk 251 crore in 2021, which was Tk 63 crore in the previous year. Income tax expenses rose 4 per cent to Tk 2,669 crore, the report showed. The operator acquired 42 lakh new subscribers in 2021, up 5.3 per cent, year-on-year. It had 8.33 crore subscribers in December.

Around 54 per cent of the subscribers, or 4.46 crore, use internet services. Its internet users are growing at 8 per cent annually.

As a part of its strategic ambition, GP has stepped up the transformation initiatives to respond to the changing demands of advanced mobile services from customers, Azman said.

Modernisation was a key focus in 2021, focusing on operating models, integration of automation, up skilling of skills and building capabilities.

Brac Bank wins ICMAB Award for 5th straight year

STAR BUSINESS DESK

Brac Bank Ltd won the Gold Award of the Institute of Cost and Management Accountants of Bangladesh (ICMAB) at the "ICMAB Best Corporate Award 2020".

Mohammad Abdul Ohab Miah, financial controller of Brac Bank, received the award from Commerce Minister Tipu Munshi at Le Meridien Dhaka on December 30, 2021, a press release said.

Munshi formally handed over the award to BRAC Bank's Mohammad Abdul Ohab Miah.

"This recognition from ICMAB for five consecutive years reflects a strong bearing of our corporate governance culture, transparency, ethics and compliance," said Selim RF Hussain, managing director of Brac Bank.

The ICMAB Award, the highest ranking award in the private commercial bank category, is conferred to the organisations in recognition of best corporate governance practices. The bank had earlier gotten first position in the private commercial bank category in 2016, 2017, 2019 and became second in 2018.

Prof Shibli Rubayat Ul Islam, chairman of the Bangladesh Securities and Exchange Commission, and Abu Bakar Siddique, president of ICMAB, were also present.

Lankan Alliance raises fund for Power Generations

STAR BUSINESS DESK

Lankan Alliance Finance Ltd (LAFL) signed an agreement with Manikganj Power Generations Ltd (MPGL), a 162 MW power plant and entity of Doreen Group, over raising Tk 600 million through the issuance of fully redeemable, non-convertible, cumulative preference shares.

Kanti Kumar Saha, chief executive officer of LAFL, and Mostafa Moin, chief executive officer of MPGL, signed the deal at the former's head office recently, said a press release.

Afroz Alam, chief financial officer of MPGL, Shahanur Rashid, head of business of LAFL, Md Sayful Islam, head of SME, and Ali Tasben Haque Riyad, corporate unit head, were present.

Satellite Company

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satellite for collecting image and mapping data for proper planning in areas such as agriculture and forestry.

The government launched Bangabandhu Satellite-1 in May 2018 for the expansion of internet and telecommunication services in remote areas under a Tk 2,765 crore project.

Located 36,000 kilometres away from Earth, the satellite is equipped with 40 transponders. It provides services to Bangladesh and South Asian countries along with Indonesia, the Philippines, Myanmar, Tajikistan, Kyrgyzstan, Uzbekistan, Turkmenistan and a part of Kazakhstan.

Bangladesh Satellite Company recorded generating Tk 37.54 crore in revenue in fiscal year 2019-20 in the form of bandwidth charges. The company is yet to release its annual report for last fiscal year.

But Managing Director Md Shafiqul Islam said its revenue grew significantly in fiscal year 2020-21 after the company started providing services to local television channels from October 2019.

"We are really happy," he said, explaining that the tax exemption would enable investing in the launch of the second satellite.

"We are providing telecommunication and ICT services and we have to create a new market for revenue. For this, we need breathing space," said Islam.

The company earlier requested that the NBR provide a 10-year tax break. A senior NBR official said the advantage was to enable making saving and providing better services. "Bangladesh had to buy these services before the launch of the satellite. Now, the (company) helps save foreign currency by providing the services," he said.

Germany cuts 2022 GDP growth forecast

AFP, Frankfurt

The German government on Wednesday lowered its economic growth forecast for 2022 as an Omicron-fuelled surge in coronavirus cases holds back Europe's industrial powerhouse.

The country's gross domestic product is now estimated to expand by 3.6 per cent, down from 4.1 per cent in a previous forecast. The start of the year "will still be subdued due to the coronavirus

pandemic, especially in the service sectors", the economy ministry said in a report.

But the bounce back in Europe's biggest economy should "noticeably" pick up pace once infections level off and global supply chain frictions "gradually" ease over the course of 2022.

The ministry's forecast is more pessimistic than that of the Bundesbank central bank, which is pencilling in 4.2 per cent growth this year.

Finally, businesses get

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VAT. In addition, the income tax certificate of the companies' directors will have to be submitted.

There will be a scrutiny committee comprising 15 members. It will be led by the BB governor.

The committee will take advice from the government to give the final approval to a firm investing abroad. Any misuse of investment will be treated as money laundering.

Uzma Chowdhury, director for corporate finance of Pran-RFL Group, a top exporter, said now companies would be able to invest in other countries as per their capacity and need.

"A transparent policy on outward foreign investment was long overdue," said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

The policy intends to promote foreign equity investments that will enhance Bangladesh's export prospects and create employment opportunities

for Bangladeshi workers abroad, he said.

The guideline comes with a slew of conditions the investors must comply with. And these will need to be reconsidered in the light of how the investment process unfolds, he said.

Even though the BB appears to be in the driving seat of regulation, it is not clear how many stops the investors will have to go to in practice for clearances of all related transactions, he said.

"Just as we are trying to establish one-stop shops for domestic investment regulation, we should also have similar one-stop shops for regulating outward foreign direct investments."

The authority appears to have opted in favour of a cautious approach to make sure that this limited liberalisation of capital account transactions does not create a balance of payment problem, Hossain said.

Khondaker

Golam

Bangladesh Lamps Limited						
Head office : House-22, Road-4, Block-F, Banani, Dhaka-1213						
2nd Quarterly Financial Statements (October-December 2021)						
STATEMENT OF FINANCIAL POSITION (UN - AUDITED)						
AS AT 31 DECEMBER 2021						
	As at 31 December 2021 Taka	As at 30 June 2021 Taka				
ASSETS						
Non-current assets						
Property, plant and equipment	34,857,337	36,849,924				
Right-of-use asset (ROU)	90,156,613	95,165,311				
Investments:						
At cost	88,527,133	88,527,133				
Fair value adjustment	659,351,335	662,284,708				
	747,878,468	750,811,841				
Loans and deposits	4,007,194	5,198,471				
Total non-current assets	876,899,612	888,025,547				
Current assets						
Inventories	413,293,330	398,635,462				
Trade and other receivables	67,199,870	63,724,499				
Advance, deposit and prepayments	36,404,101	33,747,875				
Advance income tax	412,317,851	391,663,472				
Cash and cash equivalent	226,508,029	157,744,350				
Total current assets	1,155,723,181	1,045,515,658				
TOTAL ASSETS	2,032,622,793	1,933,541,205				
EQUITY & LIABILITIES						
Capital and reserves						
Share capital	93,706,080	93,706,080				
Reserves and surplus	817,994,631	797,998,383				
Shareholders' equity	911,700,711	891,704,463				
Non-current liabilities						
Deferred liability - gratuity payable	24,761,464	38,185,618				
Deferred tax liability	58,309,881	55,951,697				
Lease liabilities- Net off current portion	78,580,549	81,948,296				
Total non-current liabilities	161,651,894	176,085,611				
Current liabilities						
Lease liabilities- Current portion	15,000,000	15,000,000				
Short term finance	405,413,817	417,957,079				
Trade and other payables	202,394,308	124,118,167				
Other liabilities	103,955,092	78,927,437				
Unclaimed dividend	3,117,454	15,416,313				
Provision for tax	229,379,517	214,332,135				
Total current liabilities	959,270,188	865,751,131				
TOTAL EQUITY & LIABILITIES	2,032,622,793	1,933,541,205				
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN - AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021						
	1 July to 31 December 2021 Taka	1 July to 31 December 2020 Taka	1 October to 31 December 2021 Taka	1 October to 31 December 2020 Taka		
Revenue	753,009,335	668,978,690	425,934,216	352,090,380		
Cost of sales	(561,198,846)	(503,332,530)	(319,592,198)	(264,963,880)		
Gross profit	189,810,489	166,646,160	106,342,018	87,126,500		
Other income/(loss)	1,515,849	12,115,935	1,515,849	(4,004)		
Operating expenses	(117,746,911)	(140,578,644)	(57,270,824)	(71,983,321)		
Profit before net finance cost	73,579,427	38,183,441	50,587,043	15,139,175		
Finance cost	(15,203,318)	(12,262,440)	(7,355,414)	(4,294,654)		
Finance income	3,654,114	1,688,792	1,855,330	865,460		
Net finance cost	(11,549,204)	(10,573,648)	(5,500,084)	(3,429,194)		
Profit before contribution to WPPF	62,830,223	27,609,794	45,086,959	11,709,981		
Contribution to WPPF	(2,953,820)	(1,314,752)	(2,146,998)	(557,619)		
Profit before income tax	59,876,403	26,295,042	42,939,961	11,152,362		
Income tax:						
Current tax	(15,047,382)	(8,251,757)	(10,394,599)	(4,202,948)		
Deferred tax	(2,651,521)	3,528,043	(3,073,344)	2,675,141		
Net profit for the period	41,377,500	20,571,318	29,472,018	9,624,555		
Other comprehensive income:						
Changes in fair value of financial assets:	(2,933,373)	232,044,418	(253,895,273)	63,746,956		
Deferred tax income/(expenses)	293,337	(23,204,442)	25,389,527	(6,574,696)		
Other comprehensive income/(loss)	(2,640,036)	208,839,976	(228,505,746)	59,172,260		
Total comprehensive income/(loss)	38,737,464	229,511,294	(199,033,728)	68,796,815		
Earnings per share (per value Tk. 10 each)	4.42	2.21	3.15	1.03		
STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021						
	1 July to 31 December 2021 Taka	1 July to 31 December 2020 Taka				
A. Cash flows from operating activities						
Collection from customers	878,760,107	809,346,710				
Payment to suppliers	(467,810,318)	(428,900,720)				
Payment to employees	(100,434,151)	(102,139,436)				
Payment for services received	(40,356,414)	(97,007,908)				
Cash payment of VAT	(133,050,049)	(126,402,540)				
Contribution to provident fund	(2,057,200)	(3,484,896)				
	135,051,975	51,411,210				
Cost recovery	-	8,800,923				
Interest paid	-	(8,422,559)				
Income tax paid	-	(20,654,381)				
	106,063,631	26,520,656				
B. Cash flows from investing activities						
Dividend received	-	28,619,775				
Proceeds from sale of property, plant and equipment	-	2,971,546				
Payment for acquisition of property, plant and equipment	(5,751,253)	(1,574,398)				
	(5,751,253)	30,016,923				
C. Cash flows from financing activities						
Payment of lease liability- Principal portion	(3,367,745)	-				
Dividend paid	(12,298,859)	(1,735,608)				
	(15,666,604)	(1,735,608)				
D. Effect of exchange rate changes in cash and cash equivalent	(3,348,833)	-				
E. Net cash inflows/(outflows) for the period (A+B+C+D)	81,296,941	54,801,971				
F. Opening cash and cash equivalents	(260,212,729)	(379,671,889)				
Cash and cash equivalents	157,744,350	48,175,927				
Short term finance	(417,957,079)	(427,847,810)				
G. Closing cash and cash equivalents (E+F)	(178,915,788)	(324,869,918)				
Cash and cash equivalents	226,508,029	59,270,507				
Short term finance	(405,423,817)	(384,140,425)				
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021						
	Share Capital Taka	Capital Reserve Taka	General Reserve Taka	Fair value Reserve Taka	Retained Earnings Taka	Total Taka
Balance as at 1 July 2021	93,706,080	2,305,167	151,881,345	596,006,237	47,395,434	891,700,463
Distribution of cash dividend	-	-	-	-	(18,741,218)	(18,741,218)
Transfer to general reserve	-	-	29,014,218	-	(29,014,218)	-
Net profit for the period	-	-	-	-	41,377,500	41,377,500
Other comprehensive income/(loss)	-	-	-	-	(2,640,036)	(2,640,036)
Balance as at 31 December 2021	93,706,080	2,305,167	180,895,763	593,411,201	41,377,500	911,700,711
Balance as at 1 July 2020	93,706,080	2,305,167	253,795,136	304,816,382	(62,542,983)	594,079,762
Distribution of cash dividend	-	-	-	-	(3,730,531)	(3,730,531)
Transfer to general reserve	-	-	(101,913,591)	-	306,913,591	-
Net profit for the period	-	-	-	-	29,671,310	29,671,310
Other comprehensive income/(loss)	-	-	-	-	208,839,976	208,839,976
Balance as at 31 December 2020	93,706,080	2,305,167	151,881,345	513,699,338	29,671,310	792,214,448
COMPARATIVE STATEMENT FOR INFORMATION OF THE SHAREHOLDERS FOR THE HALF YEAR ENDED 31 DECEMBER 2021						
	2021 Taka	2020 Taka				
Earnings per share (EPS)	4.42	2.21				
Net assets value per share (NAVPS)	97.29	83.48				
Net operating cash flow per share (NOCFPS)	11.32	8.83				
 Company Secretary  Chief Financial Officer  Director  Director  Managing Director & CEO						
The detail of the published quarterly financial statements is available in the website of Bangladesh Lamps Limited. The address of the website is www.blil.com.bd						