

Summit Power's earnings rise

But Summit Alliance Port sees marginal drop in earnings

STAR BUSINESS REPORT

Summit Power Ltd's earnings rose 5.55 per cent in the second quarter of the fiscal year while it fell marginally for Summit Alliance Port Ltd.

According to the un-audited financial reports, consolidated earnings per share (EPS) were Tk 1.52 in October-December against Tk 1.44 in the same period a year ago.



Consolidated EPS, however, fell 1.06 per cent in the July-December period: it was Tk 2.81 in the first half of the fiscal year in comparison to Tk 2.84 in the same period a year ago, Summit Power said in a posting on the website of the Dhaka Stock Exchange (DSE) yesterday.

Consolidated NOCFPS (net operating cash flow per share) was Tk 4.10 in July-December against Tk 5.24 during the same period last year.

Consolidated net asset value (NAV)

stood at Tk 32.41 per share on December 31 last year compared to Tk 31.50 on June 30.

Summit Power is a subsidiary of Singapore-based holding company Summit Power International. It owns and operates 15 power plants in Bangladesh with an installed capacity of 975.96 megawatt.

The company's shares closed 7.63 per cent lower at Tk 46 on the DSE yesterday.

Summit Alliance Port Ltd (SAPL), another listed company of Summit Group, saw its consolidated EPS edge down to Tk 0.09 in the second quarter. It was Tk 0.10 in the same quarter in 2019.

Consolidated EPS doubled to Tk 0.41 in July-December from Tk 0.20 during the same period last year. Consolidated NOCFPS went up to Tk 0.92 compared to Tk 0.16 in the second half of 2019.

NAV per share dropped to Tk 32.83 on December 31 from Tk 33.83 on June 30.

The company's shares ended the day on the DSE at Tk 27.6 yesterday, down 7.69 per cent.

SAPL is the leading off-dock in the private sector in Bangladesh with around 22.50 per cent shares in handling containerised exports and 10.50 per cent of the import volume.

It has set up the country's first-ever inland water terminal facility in the private sector on the bank of the Dhaleswari river in Muktarpur under Munshiganj, providing off-dock services and cargo transportation.

A subsidiary of SAPL has taken over the management of three river terminals in Kolkata and Patna of India.

Poppadom export potential remains untapped



KONGKON KARMAKER

Poppadoms are being dried in an open space in Dinajpur town.

KONGKON KARMAKER, from Dinajpur

Bangladesh is missing out on the big bucks India is raking in exporting a snack as ubiquitous here as popcorn is in the West.

Poppadom, or papor as it is called in Bangla, is a very thin oil-fried crisp in the shape of a flatbread made from a mixture of powdered green and black grams and grass pea.

The export of poppadom, which is mass produced in Dinajpur, is yet to see a success.

However, it is exported by India to 131 markets, the largest being the United Kingdom.

According to the Agricultural and Processed Food Products Export Development Authority, India exported 19,961.44 tonnes in 2017-18, 19,763.06 tonnes in 2018-19 and 19,503.74 tonnes 2019-20.

However, Bangladesh is yet to capitalise on the taste and nutritional values of the popular snack having potentiality worldwide.

The Export Promotion Bureau (EPB) had run a three-year training in Dinajpur from 2012

with around 500 people engaged in the trade, including women who roll out the snack by hand.

The training focused on quality and hygiene, imparted skills on many owners of small-scale enterprises and raised hopes. But till date, it has not yielded any result.

"The money has gone to waste," said Abdul Kalam Azad, president of Dinajpur Poppadom Manufacturers' Association, whose attempt at exporting 1 tonnes of poppadom to the UK apparently suffered a stroke of bad luck.

"I got the order in March 2016. I become so overwhelmed on getting the message from the officials of the Export Promotion Bureau," he said.

Talking to The Daily Star, he recalled having received an advance of Tk 1 lakh and hiring 20 skilled women paying each Tk 5,000 a month for the job.

"I tried my best to maintain the highest hygiene and quality just to get access to the international market," he said.

But the shipment "accidentally" ended up in Thailand where it was located after a month. "My poppadom consignment was finally shifted to the UK 35 days past the stipulated date," said Azad.

But by that time the snack had gone bad with fungus starting to grow on it for the delayed unpacking, he said, adding, "I suffered a loss of Tk 35,000."

Trader Shibu Saha said poppadom production has been ongoing in Dinajpur for 200 years but the business was yet to see any success as educated people largely neglect the sector.

Around 70,000 people, mostly women who get Tk 25 for rolling 100 pieces of poppadom, and around 100 large and small scale operations in the district are involved in the business, he said.

Shibu said around 10 tonnes were produced in the district each day, although the output goes down a little during the winter and rainy seasons.

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Trade thru Benapole land port suspended

OUR CORRESPONDENT, Benapole

Trade through Benapole port remained suspended since yesterday morning as a group of users of its connecting Petrapole port went for a strike demanding withdrawal of a rule recently imposed by the Border Security Force (BSF) of India.

Indian clearing and forwarding (C&F) agents used to enter Benapole carrying the export and import documents at the time of every trade, said Kartik Chandra, general secretary of the Indian Petrapole C&F Agent

Staff Association.

"The BSF has recently started stopping the C&F agents showing security reasons and said only the drivers of the corresponding import or export trucks will be allowed to carry the documents."

"We informed the BSF that the truck drivers are not educated enough to complete a trade without the help of the C&F agents and urged the security force to allow the C&F agents. But it didn't pay heed to our call."

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GLOBAL BUSINESS

Britain to apply to join Asia-Pacific free trade bloc

AFP, London

Britain will apply to join a massive 11-nation free-trade bloc of Asia-Pacific countries, it announced Saturday, weeks after leaving the European single market with its departure from the EU.

International Trade Secretary Liz Truss will formally request Monday for Britain to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a market representing half a billion people and roughly 13.5 per cent of the global economy.

The CPTPP application will come one year after Britain left the

European Union following more than forty years of membership -- and after five years of complex trade discussions.

British Prime Minister Boris Johnson said the potential new partnership would "bring enormous economic benefits for the people of Britain". "Applying to be the first new country to join the CPTPP demonstrates our ambition to do business on the best terms with our friends and partners all over the world and be an enthusiastic champion of global free trade," he said.

Negotiations between the UK and the partnership -- which represents 11 Pacific Rim nations

including Australia, Canada, Chile, Japan, Mexico and Vietnam -- are expected to start this year, the trade department said. But opposition Labour party shadow international trade secretary Emily Thornberry questioned the lack of transparency surrounding the pact. After five years of debate over Brexit trade agreements, she said people would question the British government's decision "to rush into joining another one on the other side of the world without any meaningful public consultation at all." "At present, Liz Truss cannot even guarantee whether we would have the right to veto China's proposed accession if we join the bloc first,"

she said.

Truss said joining the CPTPP would offer "enormous opportunities". She has touted joining as Britain made agreements with members such as Japan and Canada in the wake of Brexit, with British media reporting that CPTPP nations accounted for around eight percent of UK exports in 2019.

Truss said the deal will mean lower tariffs for car manufacturers and whisky producers, as well as "delivering quality jobs and greater prosperity for people here at home".

Karan Bilimoria, president of the UK's largest business lobby group the Confederation of British Industry (CBI), said the move marked a "new chapter for our independent trade policy". "Membership of the bloc has the potential to deliver new opportunities for UK business across different sectors," he said.

The CPTPP was launched in 2019 to remove trade barriers among the 11 nations representing nearly 500 million consumers in the Asia-Pacific region in a bid to counter China's growing economic influence.

The partnership is an updated version of a giant deal originally backed by former US president Barack Obama. The United States pulled out of the agreement under Donald Trump's presidency -- turning away from what he viewed as unfavourable multilateral deals -- but 11 countries eventually agreed to sign the new version.

Following Britain's definitive departure from the European Union after a one year transition period out of the European single market at the end of 2020, the UK has sought to advance the brand of "Global Britain" in 2021. The UK holds the rotating presidency of the G7 in 2021 and takes over the presidency of the UN Security Council in February.

China factory activity slows on new Covid-19 wave

AFP, Beijing

Factory activity in China slowed slightly in January, official data showed Sunday, as the country rushed to stamp out a recent coronavirus wave in northern China. The purchasing managers' index (PMI), a key gauge of manufacturing activity, came in at 51.3 this month, as the world's second-largest economy tightened Covid-19 precautions ahead of the Lunar New Year.

The figure was slightly below December's reading of 51.9, although still above the 50-point mark separating growth from contraction. "Recently, local clusters of the epidemic emerged successively in many places across the country, and the production and operations of some enterprises were temporarily affected," said National Bureau of Statistics (NBS) senior statistician Zhao Qinghe.

Zhao added that the period around the Lunar New Year is traditionally an "off-peak season" for the manufacturing industry. The latest data indicated that the business climate remains weak for small firms, although domestic consumption picked up ahead of the festive period.

Export demand slowed after Christmas

as the pandemic continued spreading worldwide, the NBS added.

China's non-manufacturing PMI saw a larger drop to 52.4, from 55.7 last month, taking a bigger hit from the domestic virus resurgence. Industries including accommodation and catering saw a "more significant" drop in activity, while the construction industry went into an off-season.

The fall in the PMI reflects weakening growth momentum due to government measures to contain the new Covid-19 wave, including tightening social distancing rules, re-imposing lockdowns and travel bans in some parts of China, Nomura's chief China economist Lu Ting told AFP. "The inevitable, seasonal rise in population mobility and family gatherings in coming weeks, albeit likely much smaller than their pre-pandemic levels, may keep these Covid-19 prevention measures in place for a longer time," he added.

Accordingly, non-manufacturing activity could dip further in February, he said. But with migrant workers encouraged to stay in the cities where they work this year instead of returning home, manufacturing PMI might rebound slightly in the coming month, said Lu.



REUTERS/FILE

People wearing face masks wait at a bus stop on London Bridge, amid the outbreak of the coronavirus disease, with the City of London financial district in the background.



Employees wearing face masks work at a factory of the component maker SMC during a government organised tour of its facility following the outbreak of the coronavirus disease in Beijing.

REUTERS/FILE