



Coupled with a poor drainage system, these dilapidated roads at the BSCIC industrial estate in Chapainawabganj become flooded during the rainy season and hamper business activities.

PHOTO: RABIUL HASAN

GPH Ispat sees profit plummet

STAR BUSINESS REPORT

GPH Ispat Ltd's profit fell more than 18 per cent year-on-year to Tk 149.39 crore in the financial year that ended on June 30.

The steel manufacturer raked in Tk 182.59 crore in profit in 2020-21. Thus, the company reported earnings per share (EPS) of Tk 3.42 for 2021-22, which was Tk 4.18 in 2020-21.

The EPS decreased due to a significant increase in the exchange loss in foreign currency transactions, said GPH Ispat in a filing on the Dhaka Stock Exchange (DSE) yesterday.

On the other hand, the price of all imported raw materials, international shipping cost, and freight charge increased due to dull economic conditions caused by the effects of Covid-19 and the Russia-Ukraine war, it said.

The net asset value per share slipped to Tk 28.79 in 2021-22 from Tk 29.86 in 2020-21, while the net operating cash flow per share (NOCFPS) widened to a negative Tk 7.15 from a negative Tk 4.05 during the period.

The NOCFPS decreased because of an increase in cash payments to suppliers, operating expenses, administrative expenses, and selling and distribution expenses for the price hike in international and local markets, said the filing.

The board of directors has recommended a 5.50 per cent cash and a 5.50 per cent stock dividend for the last financial year.

The bonus shares have been recommended with a view to utilising the retained amount as capital for the company's manufacturing facility expansion, added the filing.

Shares of GPH Ispat closed unchanged at Tk 47.30 on the DSE yesterday.

Rundown roads, poor drainage choke C'nawabganj BSCIC

RABIUL HASAN, Chapainawabganj

Businesspeople at the Bangladesh Small and Cottage Industries Corporation's (BSCIC) industrial estate in Nayagola, Chapainawabganj, have long been suffering in the absence of a proper drainage system for interior roads.

Nurul Islam, manager of Sazzad Enterprise, said almost all the roads in the BSCIC area are in a dilapidated state and lack a proper drainage system.

The situation is particularly bad during the rainy season as the roads become submerged.

Besides, investors need more land at the estate to expand production at existing factories but as they are unable to get it, the businesses cannot grow in any way, he added.

However, Masud Rana, who owns Sazzad Enterprise, said the overall situation at the industrial estate in Chapainawabganj is comparatively better than those in other districts.

"The BSCIC authorities recently constructed a gate for our security and I think they will be extending the estate soon," Rana added.

There are 22 industrial units currently operating at the estate with some engaged in producing biscuits and bread, flour, recycled cotton and hosiery while others are cold storages and other facilities.

Rostom Ali, manager of the Agro Mahananda Cold Storage, said they are

unable to walk freely on the roads despite paying the service charge regularly.

"We suffer a lot during the rainy season as the transport of goods is badly hampered when roads become flooded," he added.

Kazem Ali, owner of Shamim Waste Cotton, said they do not get an uninterrupted electricity supply even though it is essential for the business.

There are 22 industrial units currently operating at the estate with some engaged in producing biscuits and bread, flour, recycled cotton and hosiery while others are cold storages and other facilities

"And I need more land to expand my cotton recycling factory but am unable to get it," he added.

In addition, transporting raw materials and finished goods inside the industrial estate is getting costlier and more difficult as the condition of the roads is worsening day by day.

Yet, nothing is being done for the factories that generate a good amount of revenue for the government, according to a number of factory owners.

Abdul Wahed, former president of the Chapainawabganj Chamber of

Commerce and Industry, said they have been urging the BSCIC to extend the industrial area for a long time.

If the area is extended, many small and medium entrepreneurs would show interest in setting up factories at the estate as it would provide them safety and security.

"Repairing the roads and drainage system must be done as soon as possible," Wahed added.

Raihan Ali, assistant general manager of the BSCIC office in Chapainawabganj, said they set up the industrial area in 1989 while plots were allocated in 1994 with a view to developing industries and creating jobs in the district.

There are 88 plots on around 10 acres of land at the Chapainawabganj industrial estate that are currently occupied by 22 industrial units.

Ali went on to say that new roads and drainage systems would be constructed in phases.

"The BSCIC is trying to expand its existing estates," he said, adding that they sent a proposal to the higher authority to expand the Chapainawabganj estate by 10 acres.

If given the land, many small industries will be built as more investors will come into the estate area.

"I think we will expand soon after getting approval from the higher authority," he said.

"We are trying to improve the estate gradually," Ali added.

Stocks, turnover keep falling

STAR BUSINESS REPORT

All major indices of the stock markets in Bangladesh and turnover fell yesterday as risk-averse investors were on a selling spree amid persisting uncertainty and lower earnings reported by companies.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), fell 26 points, or 0.42 per cent, to close at 6,307.

The DS30, the blue-chip index, shed 0.82 per cent to 2,226, while the DSES, the index representing shariah based companies, was down 0.88 per cent to 1,377.

The market started on a positive note but the trend could not sustain after half an hour of the trading session.

The downward trend continued towards the end as investors are suffering from a confidence crisis amid poor declarations of the companies whose financial year ended in June, said International Leasing Securities in its daily market review.

"The premier bourse passed another down session as shaky investors continued their selling binge in the major sectors."

Investors also decreased their participation in the market as turnover dropped 6.9 per cent to Tk 769 crore.

Among the sectors, travel rose 6.3 per cent, led by an 8.23 per cent gain of Sea Pearl Beach Resort & Spa and a 5.25 per cent rise by Unique Hotel & Resorts Limited.

The IT sector rose 2.7 per cent, on the back of a 6.04 per cent gain of Genex Infosys, a 5.73 per cent rise of ADN Telecom, a 5.37 per cent advance of Aamra Technologies, and a 5.25 per cent advance of Information Services Network Ltd.

"The premier bourse passed another down session as shaky investors continued their selling binge in the major sectors."

Jute suffered the sharpest correction, falling 2.6 per cent. Both Jute Spinners and Sonali Aansh Industries gave up more than 2 per cent.

The general insurance sector fell 1.9 per cent and pharmaceuticals were down 1.3 per cent.

Investors were mainly focused on the pharmaceuticals, paper and IT sectors, accounting for 15.7 per cent, 13.3 per cent and 13.1 per cent of the day's turnover, respectively.

On the DSE, only 29 securities won, 86 retreated and 232 remains the same.

Chartered Life Insurance topped the gainers' list, advancing 10 per cent. Bashundhara Paper Mills and Genex Infosys also rose significantly.

Navana Pharmaceuticals witnessed the biggest fall, shedding 9.34 per cent. Bangladesh Monospool Paper Manufacturing, Sena Kalyan Insurance, Paper Processing and Packaging, and Bangladesh National Insurance were among the major losers.

Bashundhara Paper Mills was the most traded stock on the Dhaka bourse yesterday, with its shares worth Tk 52 crore changing hands. Intraco Refueling Station, Orion Pharma, Sea Pearl Beach Resort, and KDS Accessories were in the top turnover chart.

The Caspi, the all-share price index of the Chittagong Stock Exchange, dropped 70 points, or 0.37 per cent, to close at 18,622.

Of the issues that traded on the bourse in the port city, 29 advanced, 67 declined and 128 did not show any price movement.

Turnover fell more than 41 per cent to Tk 23.67 crore.

Farmers suffer nearly Tk 350cr loss for Sitrang Agriculture ministry says

STAR BUSINESS REPORT

Cyclone Sitrang, which swept across Bangladesh last week, has caused losses of around Tk 350 crore for 150,000 farmers in almost half of the country, the agriculture ministry said yesterday.

Betel leaf and vegetable growers were severely affected as the cyclonic storm and rainfall damaged their gardens and fields.

Betel leaf growers suffered losses of Tk 162 crore at their gardens on 88 hectares while vegetable producers recorded Tk 98 crore worth of losses owing to damages on 2,800 hectares of their fields.

The cyclone damaged vegetable fields of farmers in 19 coastal and northwest districts, said a senior official of the Department of Agricultural Extension (DAE).

Sitrang affected food crops on 10,200 hectares of land, of which aman paddy on 5,600 hectares has been damaged causing a loss of Tk 66.5 crore.

The official said overall rice yields from the current Aman crop would be lower than the DAE's target of 1.63 crore tonnes following the crop destruction.

"We have already placed proposals for giving support to the affected producers on a priority basis," he said, adding that each farmer that incurred losses would be brought under the rehabilitation.

READ MORE ON B2



Cyclone Sitrang left a lot of devastation in its wake as some 150,000 farmers collectively suffered losses of around Tk 350 crore due to heavy rain and wind. Here, a large portion of a paddy field lies limp after strong gusts blew it down.

PHOTO: STAR

Alltex Industries returns to profit after six years

STAR BUSINESS REPORT

Alltex Industries Ltd made a profit in the financial year that ended on June 30.

The textile company reported a profit of Tk 1.12 crore in 2021-22, its first profit in six years. It incurred a loss of Tk 28.43 crore a year earlier.

The company reported earnings per share of Tk 0.20 for 2021-22, which was Tk 5.08 in negative in 2020-21.

"We made a profit because of an increase in orders. We also got better prices," said an official of Alltex Industries.

The net asset value per share rose to Tk 8.75 from Tk 5.87 while the net operating cash flow per share surged to Tk 6.03 from Tk 1.46 a year earlier.

READ MORE ON B2