



Farmers in char areas of northern Bangladesh are increasingly banking on maize cultivation to earn profits as it is easier and cheaper to grow compared to other crops. Here, shucked corn is being dried in the sun at a farm in Deluabari char under Fulchari upazila of Gaibandha. PHOTO: MOSTAFA SHABUI

Maize farming leading char farmers to financial stability

MOSTAFA SHABUI, Bogura

About two decades ago, farmers in remote char areas of northern Bangladesh were quite impoverished due to the consequences of repeated flooding and other natural disasters.

Now though, these farmers have achieved financial stability by growing maize, which is more suitable for the region compared to other crops.

For example, more profitable crops such as jute and chili are easily damaged by heavy rain and pests but maize carries less risk in this regard while also providing ample returns, according to Nazir Uddin, a farmer of Kalur Para char under Saghata upazila of Gaibandha.

Mofiz Uddin, a farmer of Dighatkandi char in the same upazila, said a farmer can profit up to Tk 80,000 by cultivating one bigha of chili while growing maize on the same amount of land would earn him just over Tk 30,000.

But despite the considerably lower returns, growing maize bears little to no risk compared to chili while it only costs as much as Tk 9,000 to cultivate, he added.

Nurunnabi Mollah, a farmer of Deluabari char under Fulchari upazila, said cultivating jute is highly profitable but huge quantities of the crop are damaged by early floods each year.

“So, all things considered, we only get good profits from maize,” he added.

The financial condition of farmers in char areas was very poor until they started receiving stable profits from cultivating maize, which brought economic prosperity to the region,” said Nazir Uddin, who first started growing maize in the upazila’s char Jamira some 20 years back.

Jakirul Islam, a farmer of char Dakatmara under Bogura’s Sariakandi upazila, said he cultivated three bighas of maize at a cost of around Tk 24,000 this year.

“I harvested two bighas already and got around 70 maunds [one maund equals 37 kilogrammes],” added Islam, who made a profit of Tk 40,000 from the crop currently selling for about Tk 1,400 per maund.

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Beza, China chamber sign MoU to brand Bangladesh

STAR BUSINESS REPORT

Bangladesh Economic Zones Authority (Beza) and the Bangladesh China Chamber of Commerce and Industry (BCCCI) signed a memorandum of understanding (MoU) yesterday over promoting and branding Bangladesh globally and attracting foreign investment at economic zones.

Md Moniruzzaman, general manager (investment development) of Beza, and Al-Mamun Mridha, secretary general of the BCCCI, signed the deal at the Beza office in Dhaka.

Under the MoU, the BCCCI will provide necessary assistance to Beza in policy formulation, organising policy dialogues for development of bilateral trade and attracting potential Chinese investors.

Shah Md Sultan Uddin Iqbal, senior vice-president of the BCCCI, said Bangladesh has been able to create an investment-friendly environment through economic zones and has become a role model for development in the world.

Iqbal mentioned that China was already investing significant amounts of money in economic zones and would do so in ones dedicated for the country on a government-to-government (G2G) basis.

He hoped that the signing of MoU would further expand the scope of Chinese investment in Bangladesh.

Since its establishment in 2003, the BCCCI has been working towards the development of business relations between the two countries and there are about 450 Chinese investors in the organisation, said the BCCCI vice-president.

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Islami Bank working to restore depositors’ confidence

Says its managing director

STAR BUSINESS REPORT

Islami Bank Bangladesh Ltd (IBBL) is working to restore depositors’ confidence by way of waging campaigns, said its managing director Mohammed Monirul Moula.

“There is no scope to deny that some mistakes had taken place at the bank. And we have learnt the lessons so that those mistakes can be avoided in the coming days,” he told The Daily Star in an exclusive interview last week.

“I think by this year, we will be able to bring back the public confidence that we enjoyed previously.”

His plan comes as the largest private bank in Bangladesh celebrates its 40th anniversary.

Established in March 1983, IBBL was the first Shariah-based bank in Southeast Asia.

IBBL has recently come under scrutiny due to widespread financial scams.

Th bank allegedly disbursed Tk 7,246 crore in loans to nine companies last year violating banking norms. Of the amount, Tk 2,460 crore was disbursed in the

first 17 days of November last year. Most of the nine companies were sister concerns, many of which provided false business addresses, of Rajshahi-based Nabil Group.

Moula, who was appointed as the managing director of IBBL in January 2021, talked about the scams that rattled the entire financial sector.

He said the bank did not follow due diligence in some cases and made some investments in a hurried manner to meet the immediate demand for loans.

“We should have scrutinised the addresses of the businesses before disbursing the loans. Since we have a good relationship with Nabil Group, the bank did not give importance to scrutinising the accuracy of the business address of its sister concerns.”

Moula, however, said the bank financed Nabil Group based on its long-standing relationship.

“We financed the group with the utmost confidence. If the sister concerns can’t repay the loans, the group will not be able to ignore the responsibility.”

Banking norms, however, stipulate that a company is not

obliged to clear the loans given to its sister companies.

IBBL has recovered around Tk 900 crore of the outstanding loans amounting to Tk 7,246 crore from the concerns of Nabil Group, and the rest will be paid back in phase in the coming days.

“The bank is now focusing on ensuring due diligence and good governance in its all operations, and such type of mistakes will not repeat,” he said.

Moula, who started his career in the bank in 1986, also responded to questions regarding the takeover of IBBL by S Alam Group.

Several little-known local companies linked to S Alam Group had bought the bulk of the shares of IBBL before the change in ownership and the reshuffling at the board and management.

The companies started buying shares at Islami Bank in 2012 and secured a strong position by 2016.

Finally, the Chattogram-based business group took control of the bank in January 2017, a development that would not bode well for IBBL, analysts warned at that time.

Asked about the change, Moula said the change in the board has not affected the bank.

“Change does not give a negative message always. It brings positive things in many cases.

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IFIC Bank shortens name, assumes PLC suffix

STAR BUSINESS REPORT

The name of International Finance Investment and Commerce Bank Limited has been changed to IFIC Bank PLC, according to a notice from the central bank yesterday.

The change came into effect on Tuesday.

Although its full name was International Finance Investment and Commerce Bank Limited, it was largely known as IFIC Bank Ltd.

Now, the private commercial bank has not only changed its name, it also assumed the PLC (Public Limited Company) suffix in place of “Limited”.

In Bangladesh, the companies are switching to the PLC suffix in order to comply with the amended Company Act 1994. The amendment was made in 2020.

A PLC is a public company and is the equivalent of a US publicly traded company that carries the Inc. or corporation designation.

The use of the PLC abbreviation after the name of a company communicates to investors and to anyone dealing with the company that it is a publicly traded corporation.

Ring Shine Textiles incurs Tk 19cr loss in Oct-Dec

STAR BUSINESS REPORT

Ring Shine Textiles Limited suffered a Tk 19.01 crore loss in the October-December quarter of the current financial year.

This compared to the Tk 50.03 lakh profit the textile manufacturer posted in the same quarter a year earlier.

Thus, the earnings per share (EPS) were a negative Tk 0.38 for October-December of FY23 against a positive EPS of Tk 0.01 in the similar three-month period of 2021-22, according to the un-audited financial statements.

This raised the loss to Tk 38.02 crore in July-December of FY23, which was Tk 17.01 crore in the identical half of 2021-22.

As a result, the loss per share stood at Tk 0.76 in the first half of the ongoing financial year compared to Tk 0.34 in the July-December of FY22.

The EPS was negative because of the incurring loss, highly impacted by the increase in financial expenses, said the textile company in a filing on the Dhaka Stock Exchange.

The net operating cash flow per share rose to a positive Tk 0.30 in July-December from a negative Tk 0.70 in the same half of FY22.

The net asset value per share slipped to Tk 3.23 on December 31 from Tk 2.50 on June 30.

The NAV per share decreased as it incurred a loss since the company is operating at 17-25 per cent capacity and yet to reach break-even, the filing said.

Shares of Ring Shine Textiles closed unchanged at Tk 9.80 on the DSE yesterday.

Tamijuddin Textile raises authorised capital to Tk 100cr

STAR BUSINESS REPORT

Tamijuddin Textile Mills Limited yesterday said it has increased the authorised capital from Tk 35 crore to Tk 100 crore.

This has been approved by the Registrar of Joint Stock Companies & Firms, said the textile company in a filing on the Dhaka Stock Exchange.

Authorised share capital refers to the maximum number of shares a company is legally allowed to issue or offer based on its corporate charter.



An aerial view shows an oil factory of Idemitsu Kosan in Ichihara, east of Tokyo. Oil price rose to \$79.07 a barrel yesterday in the global market as a halt to some exports from Iraqi Kurdistan raised concerns of tightening supply while easing fears of a global banking crisis supported risk sentiment in the wider markets. PHOTO: REUTERS/FILE

DBH Finance’s profit falls in 2022

STAR BUSINESS REPORT

DBH Finance PLC reported a 2.62 per cent year-on-year decrease in profit to Tk 101.59 crore in the financial year that ended on December 31.

The profit stood at Tk 104.32 crore in 2021 for the non-bank financial institution.

Thus, the company reported earnings per share of Tk 5.21 for 2022 against Tk 5.35 a year ago. The net asset value per share of DBH Finance rose to Tk 41 in 2022 from Tk 37.15 in 2021.

But the net operating cash flow per share (NOCFPS) stood at Tk 19.64 negative from Tk 0.04 negative a year ago.

“The NOCFPS decreased significantly due to higher encashment of deposits during the year with net cash outflow of Tk 3,91.8 crore,” said the NBFI in a filing on the Dhaka Stock Exchange.

The board of directors of DBH Finance has recommended a 15 per cent cash and a 2 per cent stock dividend for the last financial year.