



Manufacturers and wholesalers in Narayanganj are among the biggest suppliers of clothing items to retailers and wholesalers in the capital and other parts of the country. Though they supply products throughout the year, payments are usually cleared ahead of Eid-ul-Fitr. But the fire that gutted 3,845 shops in and around Bangabazar on April 4 has left the suppliers worried about the fate of the arrears. The photos were taken on Monday.

CAPTION: SAURAV HOSSAIN SIAM

City Bank logged Tk 477cr profit in 2022

STAR BUSINESS REPORT

The City Bank Ltd made a profit of Tk 477.84 crore in the last financial year of 2022, down 13.10 per cent year-on-year.

Its profit stood at Tk 549.88 crore in 2021.

Thus, the private commercial bank reported consolidated earnings per share of Tk 3.98 in 2022 compared to Tk 4.58 (restated) in 2021.

A restatement is an act of revising one or more of a company's previous financial statements to correct an error.

The consolidated net asset value per share of City Bank rose to Tk 28.21 in 2022 from Tk 27.27 (restated) in 2021 while the consolidated net operating cash flow per share slipped to Tk 11.65 from Tk 11.80 (restated) during the period.

Its board of directors has recommended a 10 per cent cash and a 2 per cent stock dividend for the year that ended on December 31, according to a filing on the Dhaka Stock Exchange.

Shares of City Bank were changed at Tk 21.80 on the bourse yesterday.

Narayanganj traders feel the heat of Bangabazar fire

Affected shops owe huge sums to suppliers

SAURAV HOSSAIN SIAM, Narayanganj

Narayanganj-based clothing traders have also been affected by the recent fire in Bangabazar and are passing days in uncertainty as wholesalers and retailers in the popular market in Dhaka owe a significant amount of money to their suppliers.

Narayanganj is one of the biggest producers of readymade clothing items used by local middle-income and lower-middle-income consumers.

More than 5,000 hosiery factories have been set up in several parts of the city, particularly in the sadar and Bandar upazilas. Clothes manufactured in the factories are sold all over the country.

Suppliers say a large number of clothes made in the industrial belt are sold to the shops in Bangabazar throughout the year but payments are largely made ahead of Eid-ul-Fitr.

Eid-ul-Fitr is one of the biggest religious festivals in Muslim-majority Bangladesh and the volume of sales increases several times ahead of the festival.

Traders say businessmen in the capital and other parts of the country such as Rajshahi, Cumilla, Faridpur and Chandpur come to buy clothes from Narayanganj at wholesale rates. Most of the traders in Bangabazar and Sadarghat of the capital also purchase clothes from here.

Hundreds of small and large producers in the city's Nayamati, Tanbazar, Deobhogh areas are regular suppliers to the traders in Bangabazar.

But the fire incident in Bangabazar on the dawn of April 4 has left the businessmen in Narayanganj worried since they don't know whether they would get the payments and if yes, when.

The fire at Bangabazar Shopping Complex and adjacent markets burnt down 3,845 shops. There is a large hosiery market in Deobhogh

where readymade clothes are also sold to wholesale traders.

Md Selim, owner of Al-Mujib Garments in the Deobhogh market, said he used to supply products to 30 wholesalers in Bangabazar before the fire broke out.

"They would take products from me throughout the year and payments usually remain due. All transactions are cleared at least 10 days before Eid. But all of the goods



Arrears of about Tk 1 crore are unpaid. But I can't ask for the money in such a difficult situation

Md Selim
Owner of Al-Mujib Garments

of my parties were burnt to ashes in the fire. Arrears of about Tk 1 crore have been unpaid now. But I can't ask for the money in such a difficult situation."

"But how can my employees go home before Eid if I don't get the money and pay them the salaries?" he asked.

Al-Karim Garments owner Abdul Matin, Ruma Garments owner Mujibur Rahman, AK Fashion owner Abul Kalam and Awlad Garments owner Awlad Hossain, RP Garments owner Abdul Matin, and HK Fashion's owner Hasibur Rahman echoed Selim. Traders of Bangabazar owe them from as low as Tk 2 lakh to as high as Tk 2 crore.

According to Nazmul Alam Sajal, president of the Bangladesh Hosiery Association, more than 200 traders in Narayanganj have been affected by the fire and they have more than Tk 100 crore in unpaid bills.

Rafikul Islam, owner of Mark Fashion in Nayamati, says they start selling Eid-oriented

clothes 15 days before Ramadan begins and it continues until the 15th day of the fasting month.

"We receive payments before the Eid day. But this time everything has become uncertain."

Md Fayez, owner of Kanak Fashion, said: "If our clients are unable to run their business, we will not get paid."

Hundreds of traders in Tanbazar's Habib Shopping Complex, River View Market and Farzana Tower are also feeling the pinch of the fire.

Moktar Hossain, treasurer of the central committee of traders of the Habib Shopping Complex, says some traders in the market have unrealised payments of Tk 1 lakh to 20 lakh.

"Traders in Bangabazar have taken Tk 40 lakh worth of products from me. These arrears were supposed to be settled before Eid. Now I don't know when I will get the money."

About 500 businessmen in Narayanganj have more than Tk 100 crore in arrears, he said.

Mujibur Rahman, vice president of the Deobhogh Market Owners Association, says traders of Bangabazar owe them more than Tk 40 crore.

"Now we are living days in uncertainty as the stores of our clients have been burnt to ashes."

Members of the Bangladesh Hosiery Association held a meeting on Sunday.

"We are preparing a list of the businesses that have had arrears with the traders of Bangabazar and by how much," said Sajal.

"After we complete the list, we will sit with the Bangladesh Knitwear Manufacturers and Exporters Association and the Federation of Bangladesh Chambers of Commerce and Industry to resolve the problem. The present government is business friendly. I hope the government will stand by the affected traders."

PM calls for enhancing Dhaka-Colombo cooperation

BSS

Prime Minister Sheikh Hasina yesterday said there was a lot of potential in enhancing bilateral cooperation between Bangladesh and Sri Lanka in the areas of investment, agriculture, fisheries, pharmaceuticals, maritime connectivity and higher education.

She said this while outgoing Sri Lankan High Commissioner to Bangladesh Professor Sudharshan DS Seneviratne called on her at her official residence Gono Bhavan.

Prime Minister's Press Secretary Ihsanul Karim briefed reporters after the meeting.

The premier said Bangladesh attaches highest priority to the relations with the neighbours including Sri Lanka which is based on historical bondages and a multitude of commonalities.

She said, "Bangladesh and Sri Lanka have historical bondage as it puts emphasis on maintaining good relations with the neighbours".

The Bangladesh prime minister and Sri Lankan high commissioner both laid emphasis on "blue economy", Karim noted.

About development, the prime minister said 90 per cent of development programmes of Bangladesh was now funded by domestic resources.

She also mentioned that due to the Covid-19 pandemic, the development process across the country had somewhat been hindered.

"But Bangladesh is now struggling and working hard to recover from the setback," Sheikh Hasina said.

She congratulated the high commissioner on successful completion of his duty in Bangladesh.

Professor Sudharshan DS Seneviratne highly appreciated the socioeconomic development of Bangladesh under the leadership of Prime Minister Sheikh Hasina.

Referring to mega projects like Padma Bridge, he said on completion of projects in Matarbai and Payra, Bangladesh would become a big regional hub of connectivity.

The Sri Lankan high commissioner said his country was keen to cooperate in the field of trade, tourism, deep seaport and pharmaceutical sectors of Bangladesh. He also praised Bangladesh for maintaining a balanced foreign policy.

He said he really felt attached to Bangladesh and its people during his stay.

Ambassador-at-large Mohammad Ziauddin and Prime Minister's Principal Secretary M Tofazzel Hossain Miah were present.

Brac Bank saw Tk 601cr profit in 2022

STAR BUSINESS REPORT

Brac Bank Ltd clocked a Tk 601.63 crore profit in the last financial year of 2022, up 10.14 per cent year-on-year.

The private commercial lender, which is focused on small and medium enterprises, made a profit of Tk 546.25 crore in 2021.

Thus, the bank reported consolidated earnings per share of Tk 4.02 for 2022 compared to Tk 3.65 in 2021.

The consolidated net asset value per share rose to Tk 40.86 in the last financial year from Tk 38.21 while the consolidated net operating cash flow per share surged to Tk 25.14 from Tk 2.49 during the period.

The board of directors has recommended a 7.50 per cent cash and a 7.50 per cent stock dividend for the year that ended on December 31.

Shares of Brac Bank were unchanged at Tk 38.50 on the Dhaka Stock Exchange yesterday.

Asia may grow faster than developed economies Morgan Stanley says

REUTERS

Asia's economic growth could outpace developed countries' by 5 per cent by end-2023 driven by China's easing of Covid-19 curbs, strong domestic demand and interest rates staying in less restrictive territory, said Morgan Stanley economists.

The recent banking stress in the US and Europe strengthens the case for Asia's outperformance, MS Asia economists, led by Chetan Ahya, said in a note dated Tuesday.

"Lending standards will tighten in the US and Europe, and, in turn, weigh on domestic demand," wrote Ahya.

"While this will spill over to Asia in the form of the external demand recovery being constrained, we think Asia will still be able to generate sufficient domestic demand... to continue to allow growth differentials to shift in favour of Asia."

A 5 per cent higher growth than developed markets would be the strongest since 2017, MS notes.

The US Federal Reserve and the European Central Bank raised rates by 475 bps and 350 bps, respectively, in a bid to tame inflation - their most aggressive pace in recent times - but the rate-hike cycle in Asia was more subdued, they note.

Additionally, China's reopening distributes benefits to the rest of the region, while Asia's other three large economies - Japan, India and Indonesia - all have economy-specific factors driving domestic demand, MS said.



Cars move on a street at the Beijing's Central Business District, during the morning rush hour following the Chinese Lunar New Year holiday in Beijing on January 30. China's reopening of the economy following pandemic distributes benefits to the rest of the region, Morgan Stanley economists said.

PHOTO: REUTERS/FIELD

IMF trims India's growth forecast

REUTERS, New Delhi

The International Monetary Fund (IMF) said on Tuesday that it expects India's economy to grow 5.9 per cent in the current fiscal year though it warned that turmoil in the financial system will hurt global growth.

In its World Economic Outlook, the IMF forecast global real GDP growth at 2.8 per cent for 2023 and 3 per cent for 2024, marking a sharp slowdown from 3.4 per cent growth in 2022 due to tighter monetary policies.

"With the recent increase in financial market volatility, the fog around the world economic outlook has thickened," the IMF said as it and the World Bank launched spring meetings this week in Washington.

The IMF predicted that the Indian economy would grow 5.9 per cent in the 2023-24 financial year, down 0.2 per cent from its January estimate, and much lower than the Indian central bank's prediction for 6.5 per cent growth during this period.