



Workers are seen melting iron before reshaping it for use in building agricultural machinery. Many foundries in Bogura have been fitted with latest induction furnaces and computerised numerical control machines to ensure that the quality of their products can rival that of any imported alternatives.

PHOTO: MOSTAFA SHABUI

Islami Bank registers dip in profit

STAR BUSINESS REPORT

Islami Bank Bangladesh Limited's profit slumped 32.70 per cent year-on-year to Tk 56.35 crore in the first quarter of 2023.

The country's largest Shariah-based bank in terms of deposits made a profit of Tk 83.72 crore in the January-March quarter of 2022.

The bank, thus, recorded Tk 0.35 earnings per share in January-March, down from Tk 0.52 in the same period a year ago, according to a disclosure on the Dhaka Stock Exchange.

The net operating cash flow per share became negative in the first quarter.

IBBL said its net operating cash flow per share decreased significantly due to an increase in net cash outflows against investments to customers and lower deposits mobilisation from customers.

Its shares closed unchanged at Tk 32.80 on the DSE yesterday.

The bank saw its EPS grow 28 per cent year-on-year to Tk 3.83 in 2022 from Tk 2.99 a year ago. It declared a 10 per cent cash dividend for the year that ended on December 31.

Bogura's foundry industry almost future-proof

Factory owners say

MOSTAFA SHABUI, Bogura

The agriculture-based foundry and light engineering industry of Bogura is all set to face any challenge that may arise amid the fourth industrial revolution, according to market players.

The district's foundry and light engineering units, which help meet 70 per cent of the country's demand for agricultural machinery and spare parts, had long been missing modern technology.

Now though, manufacturers have installed the latest equipment to ensure that their products can compete with foreign alternatives.

There are 10 foundries, 800 manufacturing facilities and 745 workshops that produce agricultural machinery inside an estate of the Bangladesh Small and Cottage Industries Corporation in Bogura.

Meanwhile, there are another 60 foundries and 1,000 light engineering units in other places of the district, said Razedur Rahman Raju, secretary of the Bangladesh Agricultural Machinery Merchant Association's Bogura unit.

According to data from the Bogura Chamber of Commerce and Industry, the district's light engineering and foundry industry has been exporting finished products worth around Tk 300 annually for the last five years.

Abdul Malek Akanda, owner of Al-Madina Metal Works and president of the Foundry Owners' Association of Bangladesh, said he installed modern induction furnaces and computerised numerical control machines at his unit for Tk 6 crore during this period.

"We installed the new equipment to produce quality products and thereby retain

our markets. Or else, we are going to lose our business to Chinese products," he added.

Malek went on to say that three foundries in Bogura received certification from the International Organization for Standardization about a month ago.

Rezaul Karim, owner of Reza Engineering and Metals, said they would previously produce just 70 types of agricultural machinery, including centrifugal pumps and threshers.

Now manufacturers are installing the latest equipment to ensure that their products can compete with foreign alternatives

"But now we can produce around 200 types of products to compete with Chinese and Japanese agricultural machinery makers," he added.

Karim went on to say they plan to start manufacturing small vehicles such as mini trucks within a year.

"We lacked training and technological support but a foreign NGO, called the International Maize and Wheat Improvement Center [CIMMYT], has been inspiring us to modernise our equipment since last year," he said.

Asked how workers will be able to adapt to the new technology, Karim said more support is required in this regard as they are given just 15 days training after the equipment is purchased.

He then informed that the CIMMYT has already arranged a three-month training



Five key factors to consider before investing

JASIM UDDIN RASEL

Your savings need to be invested to grow your money. So, the main target is the rate of return. But sometimes, a higher return involves risks and you may even lose your money.

So, what important things should you consider before investing your savings?

The following key five factors will help you fix your investment plans to achieve your goal.

Return from investment

Our first target from investments is the return. How much profit we will get from our investment is the main factor to make decisions before investment.

In Bangladesh, a high rate of return you can avail by investing in savings certificates and bonds.

Nearly 10 per cent of profit is available from these government-issued certificates or bonds.

Timeframe

The timeframe is an important consideration because the rate of return depends on the duration of investments. If you invest for the long run, your rate of return will be higher.

If you think that you do not need your savings for the next five years, it is perfect to go for long-term investments and you will get a higher return.

But If you require the money within one or two years, you will have to go for short-term investments and your return will be less than long-term investments.

Safe investment

Sometimes we tend to achieve a higher profit from investments to reach our target quickly. But such a decision may not be a safe investment option. So, while considering the investment option, you have to enquire about the organisation's reputation with the existing customers and the years of dealings with customers' money.



Risk control

Determine your investment tolerance. If you are able to take a high risk, the amount of return will also be higher. But if you are a new investor and the amount of savings is small, it is better to avoid the high risk.

Savings certificates and bonds issued by the government carry a lower risk compared to investments made into the shares of companies listed on the stock exchanges.

However, if you prefer to invest in shares, you will have to invest for a longer period considering the current condition of the market.

Tax benefits

Your return will be affected due to taxes. The tax shall be deducted at the time of profit disbursement on your investments. This means a lower return. So, consider where the tax rate is low so that you can avail the maximum return.

If you are a taxpayer, you should consider whether the investment will be considered for the tax rebate. Then, it will give you the maximum tax benefit as well as return.

The writer is the author of Smart Money Hacks

'Smart mines' show coal deeply embedded in China's future

AFP, Shennu

One hundred metres underground inside a pit in northern China, miners extract lumps of coal with the flick of a finger on a smartphone, as the country tries to drag the traditionally dangerous and dirty work into the digital era.

The Hongliulin "intelligent mine" in coal-belt Shaanxi province is a flagship facility in a drive to modernise China's thousands of coal mines, even as the nation pledges to peak greenhouse gas emissions by 2030.

China is the world's biggest emitter of the pollutants driving climate change, and its promises to curb them are essential to keeping global temperature rises below two degrees Celsius.

But mine digitalisation – which aims to improve safety and productivity – shows the continued importance of coal in a country that last year produced nearly 60 per cent of its electricity from the fossil fuel.

Smart mines are common in other coal-producing nations like Canada, but China has lagged and now the government is aiming to achieve basic digitalisation of all mines by 2035.

On a tour organised by telecoms giant Huawei – whose technology underpins the changes at Hongliulin – AFP journalists saw sensors, smart cameras and 5G relay boxes criss-crossing the facility.

READ MORE ON B3



This photo taken on April 26 shows employees working at the dispatch command centre at the Xiaobaodang coal mine near Yulin, in China's northern Shaanxi province, during a media tour organised by Chinese telecoms giant Huawei. The Hongliulin "intelligent mine" in coal-belt Shaanxi province is a flagship facility in a drive to modernise China's thousands of coal mines.

PHOTO: AFP

Heidelberg Cement shares jump as it returns to profit

STAR BUSINESS REPORT

Heidelberg Cement Bangladesh Ltd, the maker of Scan-branded cement, returned to profit in the first quarter of 2023, buoyed by higher net sales and lower costs of raw materials, plant repair and maintenance.

The cement manufacturer registered Tk 38.19 crore in net profit in the three months ending on March 31 from a loss of Tk 16.77 crore in the same period a year ago, it said in a filing on the Dhaka Stock Exchange yesterday.

Shares of Heidelberg soared 22.60 per cent to Tk 303.80 from Thursday's closing price of Tk 247.80.

The multinational company said its earnings per share surged to Tk 6.85 in the January-March quarter of 2023 against a loss of Tk 2.97 year-on-year. It also recorded increased net operating cash flow per share during the period.

The first-quarter earnings results come after Heidelberg Cement suffered Tk 23.34 crore net loss in 2022. It declared a 10 per cent cash dividend for the financial year.