



Potatoes are seen stockpiled at a wholesale outlet of Krishi Market in Dhaka's Mohammadpur yesterday. Prices of the tuber have gone sky-high but traders are withholding supplies in cold storage in hopes of making higher profits later on. PHOTO: RASHED SHUMON

Quasem Industries posts 20% decline in profit in Q3

STAR BUSINESS REPORT

Quasem Industries Ltd reported a 20 per cent year-on-year decline in profit to Tk 87.27 lakh in the third quarter of the current financial year owing to a rise in the cost of production and expenses.

The battery manufacturer made a Tk 1.09 crore profit in January-March of the previous financial year of 2021-22.

Its earnings per share rose to Tk 0.12 in the January-March quarter of 2022-23 against Tk 0.15 in the similar quarter a year earlier, according to the unaudited financial statements.

Quasem Industries suffered a loss of Tk 50.91 lakh in the July-March period of 2022-23. It made a profit of Tk 2.39 crore in the same nine-month period of 2021-2022.

The net operating cash flow per share (NOCFPS) declined to Tk 0.51 in July-March of FY23 against Tk 0.97 in FY22.

The EPS and the NOCFPS decreased due to an increase in the cost of production, operational and financial expenses, and higher payments to suppliers resulting from higher inflation, the Russia-Ukraine war and an unexpected price hike of the US dollar, said Quasem Industries in a filing on the Dhaka Stock Exchange.

The net asset value per share fell to Tk 27.38 on March 31 from Tk 27.64 on June 30.

Potato prices go up as production drops

But traders holding back supply in hopes of higher profit; farmers also turning to more profitable crops

SUKANTA HALDER, SAJJAD HOSSAIN and KONGKON KARMAKER

Potato prices have skyrocketed in Bangladesh amid a drop in production as farmers are increasingly turning to more profitable crops while poor weather conditions also lowered supply, according to market players.

Mohammad Al Amin, a retailer of Mirpur's Pallabi area in the capital, said he sold potatoes for Tk 25 per kg before Eid-ul-Fitr. "But I am selling potatoes at Tk 35 per kg as the price has gone up in the wholesale market," he said.

Traders at kitchen markets in Dhaka say the tuber is now selling for Tk 35 to Tk 40 per kilogramme (kg), up from Tk 22 to Tk 25 ahead of Eid-ul-Fitr on April 22 earlier this year.

Acreage dropped to a seven-year low of 4.55 lakh hectares in the current fiscal year (FY) from 4.64 lakh hectares in FY2021-22, according to the Department of Agricultural Extension (DAE).

The DAE estimates that potato production has increased this year despite the decline in acreage but cold storage owners and traders say overall yields have dropped.

To take advantage of the reduced production, some traders are holding back their stocks in hopes of getting higher prices later on.

Younus Bepari, a trader from Munshiganj who stocked 100,000 kgs of potato in cold storage, said wholesalers are paying Tk 25 per kg at present.

"I will start selling the crop when the price

reaches Tk 30 to Tk 35 per kg at wholesale," he added.

Data from the Trading Corporation of Bangladesh (TCB) shows that the price of potato has increased by up to Tk 15 per kg, or 59.57 per cent, over the past month.

The price of potato was between Tk 860 and Tk 880 per maund (37 kgs) before Eid-ul-Fitr, but the same amount is now being sold for Tk 1,160 to Tk 1,180 as supply is not available as per the demand.

Mokhlesur Rahman
A wholesaler at Karwan Bazar

Mokhlesur Rahman, a wholesaler based in Karwan Bazar, one of the biggest kitchen markets in Dhaka, said the price of potato was between Tk 860 and Tk 880 per maund (37 kgs) before Eid-ul-Fitr.

But the same amount is now being sold for Tk 1,160 to Tk 1,180 as supply is not available as per the demand, he added.

As per TCB data, potato prices in Dhaka have increased by 108.33 per cent year-on-year from around Tk 16 to Tk 20 per kg in May of 2022.

The potato season starts in October and continues till March, farmers say.

Nur Islam, a farmer of Sadarpur village under Dinajpur sadar upazila, said he cultivated potato on 1.5 acres of land this year but failed to secure a profit despite getting good yields.

"I sold each kg of potato at Tk 12 as the market price was low at the time of harvest," he said, adding that higher production costs attributed to his lack of profit.

Fertiliser, electricity, transport, labour and other associated costs have risen this year due to the ongoing US dollar shortage and other economic crises stemming from the Russia-Ukraine war.

Mostafa Azad Chowdhury, president of the Bangladesh Cold Storage Association, said the price of potato has increased amid fears of a potential supply crunch in the market.

Chowdhury estimates that potato production was about 20 lakh tonnes less this time compared to last season.

In March, traders came to know that potato production could be less than the demand this year and so, they are not properly supplying the market in hopes of getting higher prices later on, he added.

As per an estimate by the Bangladesh Cold Storage Association, growers and traders have kept about 50 lakh tonnes of potato in cold storage this year.

Of the total production, 80,000 to 85,000 tonnes are used by homes and industrial consumption while some 7.5 lakh tonnes are used as seeds.

Brac Bank's profit jumps 25% in Jan-Mar

STAR BUSINESS REPORT

Brac Bank Limited posted a nearly 25 per cent year-on-year increase in profit in the January-March quarter of 2023.

Its consolidated earnings per share stood at Tk 0.96 in the first quarter of the financial year against Tk 0.77 in the same quarter in 2022, according to the unaudited financial statements.

The consolidated net operating cash flow per share dipped to Tk 1.85 from Tk 7.20, due to higher loan disbursements, said the private commercial bank in a filing on the Dhaka Stock Exchange.

The consolidated net asset value per share rose to Tk 41.86 on March 31 this year from Tk 38.94 on the same day last year.

In another filing, Brac Bank said it has received consent from the Bangladesh Securities and Exchange Commission (BSEC) to give a 7.5 per cent stock dividend for 2022.

The BSEC has accorded its consent for raising the paid-up capital through the issuance of a 7.50 per cent stock dividend for the year that ended on December 31.

Brac Bank has decided to increase the authorised capital from Tk 2,000 crore to Tk 5,000 crore.

The authorised capital is the maximum amount of share capital that a company is allowed to issue to its shareholders as per its constitutional documents.

The bank clocked a Tk 601.63 crore profit in the last financial year of 2022, up 10.14 per cent year-on-year. The board of directors has recommended a 7.50 per cent cash and a 7.50 per cent stock dividend for the year.

Brac Bank shares traded at Tk 38.50 on the DSE yesterday.

Peninsula Chittagong suffers 37.5% profit drop

STAR BUSINESS REPORT

The Peninsula Chittagong Limited suffered a 37.5 per cent year-on-year fall in profit to Tk 59.33 lakh in the third quarter of the current financial year.

The profit of the company stood at Tk 94.93 lakh in the identical January-March quarter of 2021-22.

Thus, the consolidated earnings per share declined to Tk 0.05 in January-March of 2023 from Tk 0.08 in the same period a year earlier.

In a posting on the Dhaka Stock Exchange, Peninsula said its EPS decreased due to an increase in the cost of sales, import rate, selling and distribution expenses and the decrease in non-operating incomes.

The hotel company suffered a loss of Tk 2.37 crore in July-March of FY23. This compared to the Tk 8.54 crore profit it clocked during the same nine-month period of FY22.

So, the company's consolidated EPS stood at Tk 0.20 negative in the first three quarters of 2022-23 against Tk 0.72 a year ago.

The consolidated net operating cash flow per share plummeted to Tk 0.22 negative in July-March from Tk 0.19 in the similar period in FY22.

The net operating cash flow per share decreased due to an increase in cash paid to suppliers and an increase in payments made for administrative, selling and distribution expenses, said the filing.

The consolidated net asset value per share was Tk 29.02 on March 31 and Tk 29.47 on June 30.

Shares of Peninsula Chittagong traded at Tk 27.40 on the DSE yesterday, unchanged from a day earlier.

LafargeHolcim's profit more than doubles

STAR BUSINESS REPORT

LafargeHolcim Bangladesh's profit rose 102 per cent year-on-year to Tk 190.9 crore in the first quarter of the current financial year riding on higher sales driven by new products and innovative solutions.

The multinational cement manufacturer made a profit of Tk 94.5 crore in the January-March quarter of 2022, according to a press release.

Thus, LafargeHolcim reported earnings per share of Tk 1.64 for January-March this year against Tk 0.81 in the three months to March of 2022.

Shares of the company, however, fell 1.72 per cent to Tk 68.40 on the Dhaka Stock Exchange yesterday.

Operating profit before interest and taxes reached Tk 243.2 crore, a year-on-year increase of 90 per cent despite challenging market conditions.

Net sales surged 37 per cent to Tk 854.6 crore backed by new products and innovative solutions.

In the press release, Iqbal Chowdhury, chief executive officer of LafargeHolcim Bangladesh, said: "The first quarter's performance demonstrates the strength of our diverse product portfolio and strategic presence driven by innovative products, high-value solutions, digital footprint and new channels."

He said the company would continue to focus on the expansion of channels, aggregates business, new products and solutions and enhance its digital footprint to ensure sustainable growth. LafargeHolcim Bangladesh also said the rest of 2023 would be challenging as geopolitical uncertainty and inflationary pressure continues.



Craftspeople carve handles for metal tools such as spades and sickles in Uttar Kourikharra area of Pirojpur's Nesarabad upazila. Working from 8:00am to 6:00pm earns them Tk 12,000 to Tk 15,000 a month. The photo was taken recently. PHOTO: TITU DAS

Green Delta Insurance's profit falls 58% in Q1

STAR BUSINESS REPORT

Green Delta Insurance Ltd reported a 58 per cent year-on-year decline in profit to Tk 7.41 crore in the first quarter of 2023.

The profit stood at Tk 17.83 crore in the identical January-March quarter of 2022.

The insurer said its consolidated earnings per share were Tk 0.74 in the quarter, down from Tk 1.78 in January-March a year earlier.

The consolidated net operating cash flow per share plummeted to Tk 0.02 from Tk 0.67.

Green Delta's consolidated net asset value per share rose to Tk 69.94 on March 31 from Tk 68.96 on December 31.

Shares of the insurance company traded at Tk 65.10 on the Dhaka Stock Exchange yesterday.