

GPH Ispat makes Tk 64cr profit in Q3

STAR BUSINESS REPORT

GPH Ispat Ltd registered a profit of Tk 64.31 crore between July and March of the current financial year on the back of the relative stability in the exchange rate as it helped reduce expenses for raw materials imports.

The steel manufacturer suffered losses of Tk 31.50 crore during the same period last fiscal year. Thus, earnings per share stood at Tk 1.01 in January-March against Tk 1.11 during the corresponding period.

The EPS reached Tk 1.33 in the first three quarters of 2023/24, up from a negative Tk 0.65 in July-March of 2022/23.

Md Mosharof Hossain, company secretary of GPH Ispat, said the relative stability in the exchange rate reduced the financing cost to Tk 363 crore during the nine months against Tk 412 crore a year earlier.

The freight cost has gone down and the price of raw materials has fallen, he said.

RAK Ceramics' profit plunges 70% in Q1

STAR BUSINESS REPORT

RAK Ceramics (Bangladesh) Limited saw a 70 percent decline in profit in the first quarter of the current calendar year compared to same period last year due to a decline in sales.

According to the company's unaudited consolidated financial statements for the first quarter published on its website, the net profit substantially declined to Tk 4.62 crore from Tk 15.64 crore during the corresponding period of the past calendar year.

This is RAK Ceramics' lowest net profit in the first quarter in the past five years.

Overall sales decreased to Tk 177.07 crore from Tk 200.93 crore in the same period last year, representing a decline of nearly 12 percent, which was attributed mainly to a reduction in market demand, the company said.

It added that the decrease in profit was due to selling products at a very competitive price in order to contend with unhealthy competition.

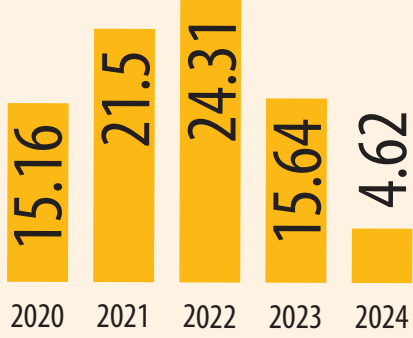
According to the Bangladesh Ceramic Manufacturers and Exporters Association, there are more than 70 ceramic industries operating in Bangladesh with core products being tiles, tableware and sanitary ware.

Total investment, both local and international, in the industry is around \$1.8 billion. The sector lured in foreign

Profit of RAK Ceramics

In January-March; In crore taka

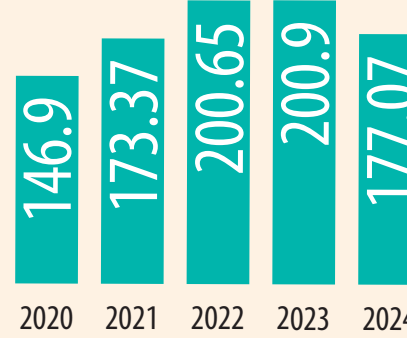
SOURCE: FINANCIAL REPORTS



Sales of RAK Ceramics

In January-March; In crore taka

SOURCE: FINANCIAL REPORTS



investment mainly from China and the Middle East. These joint venture partnerships include RAK Ceramics, Fu Wang and China Bangla.

Another reason for the decrease in profit was a rise in financing expenses due to the increased cost of borrowing as well as a spike in interest rates, it said.

Therefore, the company's earnings per share (EPS) decreased from Tk 0.37 to Tk 0.11 in the first quarter.

Its consolidated net asset value per share was Tk 17.40 as of March 31 this year while it

was Tk 17.21 on the same day the year prior.

The company booked a net profit of Tk 61.83 crore in 2023, falling from Tk 67.15 crore in 2022. However, sales of RAK Ceramics increased to Tk 781.93 crore in 2023 compared to Tk 743.53 crore the preceding year. At the same time, its cost of sales increased by 9 percent.

The company declared a 10 percent dividend in 2023, providing an EPS of Tk 1.44. Shares of RAK Ceramics closed at Tk 29 on the Dhaka Stock Exchange yesterday, declining by 2.68 percent.

Finance minister seeks budget support from ADB

STAR BUSINESS REPORT

Finance Minister Abul Hassan Mahmood Ali has sought budget support from the Asian Development Bank (ADB) to ensure Bangladesh's smooth graduation from least developed country (LDC) status, according to a finance ministry press release.

He sought the support while speaking to ADB President Masatsugu Asakawa on the sidelines of the 57th annual meeting of the ADB in the Georgian capital of Tbilisi yesterday.

In the meeting with Asakawa, Hassan sought policy-based lending support to undertake reforms related to trade policy, logistics, climate and LDC graduation.

He also requested the ADB to increase concessional climate finance and facilitate cross-border energy trade.

He further asked for assistance for initiatives related to tax reform and developing some of the thrust sectors such as, jute, leather, and tourism as Bangladesh initiates a drive to diversify its economy.

In response, Asakawa praised the Bangladesh government's strong climate and development agenda and assured of ADB's continuous support in Bangladesh's priority sectors.

Hassan attended a high-level panel discussion, titled "Harvesting hope; ensuring a food secure, climate resilient Asia and the Pacific" alongside a distinguished panel of speakers.

In his remarks, the finance minister highlighted how Bangladesh, despite scarcity of land, emerged as the third-largest producer of rice and vegetables globally by increasing food production, supporting agriculture, and expanding social safety programmes under inclusive development policies.

Exports fall to a six-month low

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Therefore, we are accepting reduced orders in order to maintain the lead time for shipment."

Owing to lower generation of gas locally, industries have long complained of inadequate energy supply. The supply situation has not improved owing to the government's limited capacity because of the fast-depletion of foreign currency reserves.

Mahmud, also the managing director of export-oriented Shasha Textiles, GA Garments, and Shasha Spinning, blamed the decline in global demand for apparel as well.

"The exports of garments by other

countries have declined, not just in Bangladesh."

He said manufacturers face delays in releasing goods at ports. "This has increased the lead time."

Importing countries are also showing interest in nearshoring, said Mahmud, also a former president of the Dhaka Chamber of Commerce and Industry.

Nearshoring refers to outsourcing of business processes to an external company based in a nearby country or location. Since labour costs rising in many countries, companies are turning to nearshoring as an option to reduce high overheads, according to German logistics company DHL.

The exports of other key sectors -- leather and leather products, jute and jute goods, home textiles, frozen and live fish -- registered a fall, EPB data showed.

The shipment of leather and leather products, the second-largest exporter after RMG, dipped 13.3 percent year-on-year to \$872 million in July-April of 2023/24.

Leather footwear, the prime export item in the segment, plunged 26 percent to \$430 million.

Arifur Rahman Chowdhury, general manager of ABC Footwear Industries Ltd, said the sector does not enjoy the full benefit of importing

raw materials at zero duty under the bonded warehouse facility though it has immense potential in the global market.

He alleged that footwear exporters face hassles while importing raw materials. "Customs offices are not cooperating with us," he said, adding that banks are not extending the support the sector requires.

For jute goods exporters, the problem has become double edged.

The prices of raw jute have risen while the prices of yarn, the main export earner in the segment, have fallen in the global market, said Helal Ahmed, chief operating officer of Janata Jute Mills and Sadat Jute Industries Ltd, a top jute yarn and jute goods exporter.

This is due to a lukewarm demand for carpets, in which jute yarns are used, in the US, he said.

The economy of Turkey, the main importer of jute yarn from Bangladesh, is not doing well while the cost of borrowing has surged at home, he added.

A gradual tightening of the money supply by the central bank is now driving up the interest rate on loans, thereby ballooning the finance cost for businesses. For example, the weighted average interest rate on advances was 7.24 percent in January last year. It exceeded 13 percent in March this year.

Padma Bank

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approval letter from the bank's board of directors.

Rezaul Karim, the bench assistant of the court, informed The Daily Star that in accordance with section 34 (6) of the Money Loan Court Act, the court rejected Padma Bank's joint application. This is because, in line with the rules for regularising defaulted loans, applicants must pay 25 percent of the defaulted amount up front.

However, the defaulter did not pay off the amount before filing the application.

Karim further stated that the court highlighted Padma Bank's eagerness to assist willful defaulters.

Raihanul Wazed Chowdhury, panel lawyer of Padma Bank, told The Daily Star: "An explanation has been sought from the managing director of Padma Bank as this application was made without fulfilling all the conditions. We have not yet received a reply in writing. After receiving it, we will determine our next step."

What does new remittance

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Bangladesh has been suffering from the depletion of its foreign exchange reserves and the devaluation of the taka against the US dollar for more than two years. The greenback crisis has persisted despite authorities taking measures to curb imports.

Bangladesh's gross domestic product (GDP), which posted over 6 percent annual average growth in the last 10 years, increased 5.78 percent in

the fiscal year 2023/24.

Last month, the International Monetary Fund revised down its GDP forecast to 5.7 percent in 2023/24, from 6 percent forecasted in October amid local and global economic challenges.

The World Bank put the GDP growth figure at 5.6 percent for the same year owing to numerous factors, including high inflation.

Mustafa K Mujeri, executive director at the Institute for Inclusive

Finance and Development (InM), said if the slow growth rate in export and remittance earnings prevails, the economic crisis will deepen.

He said although there had been growth in exports and remittances in the July-April period of the current fiscal year, it is not adequate enough to solve the existing dollar crisis.

"It also can impact the manufacturing sector negatively, thus the whole economy, because the industrial sector needs

foreign exchange to import raw materials," said Mujeri, a former director general of the Bangladesh Institute of Development Studies and a former chief economist of Bangladesh Bank.

"In this situation, the government needs to rethink and review the export policy and find new and innovative ways to boost export earnings."

Ahmed said supportive policies should be adopted to diversify and boost exports.

Government of the People's Republic of Bangladesh
Office of the Executive Engineer (RHD)
Road Division, Panchagarh.
RHD NOTICE INVITING LEASE QUOTATION
1. Ministry/Division: Ministry of Road Transport & Bridges
2. Agency: Roads & Highways department.
3. Procuring entity Name: Executive Engineer, RHD, Panchagarh Road Division, Panchagarh on behalf of RHD under the Ministry Road Transport & Bridges Government of people's Republic of Bangladesh.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার
বাংলাদেশ পুলিশ
কমান্ড্যান্ট (পুলিশ সুপার) এর কার্যালয়
ইন-সার্ভিস ট্রেনিং সেন্টার
গাইবান্ধা।
-ঃ উন্মুক্ত দরপত্র বিজ্ঞপ্তি ৪-০২/২০২৩-২০২৪
তারিখঃ- ২৯/০৪/২০২৪খ্রিঃ।
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গাইবান্ধা।
১. মন্ত্রণালয়/বিভাগ: স্বরাষ্ট্র মন্ত্রণালয় (জননিরাপত্তা বিভাগ)।
২. সংস্থা: পুলিশ বিভাগ।
৩. সাজেশ্বকারী সত্তার নাম ও জেলা: ইন-সার্ভিস ট্রেনিং সেন্টার, গাইবান্ধা।
৪. দরপত্র সূত্র নম্বর: স্বারক নং-৩৯২/ইন-সার্ভিস গাইবান্ধা, তারিখঃ-২৯/০৪/২০২৪খ্রিঃ।
৫. দরপত্রের পদ্ধতি: উন্মুক্ত দরপত্র পদ্ধতি (ওপেন)।
৬. বাজেট এন্ড সোর্স অফ ফান্ড: পুলিশ হেডকোয়ার্টার্স হতে গ্রাহ্য বরাদ্দ সাপেক্ষে।
৭. দরপত্র বিজ্ঞপ্তি নং: ০২/২০২৩-২০২৪।
৮. দরপত্র প্রচারের তারিখ: ০৩/০৫/২০২৪খ্রিঃ মধ্যে।
৯. দরপত্র বিক্রয়ের সর্বশেষ তারিখ: ১৮/০৫/২০২৪খ্রিঃ (অফিস চলাকালীন সময় পর্যন্ত)।
১০. দরপত্র গ্রহণের তারিখ ও সময়: ২১/০৫/২০২৪খ্রিঃ দুপুর ১২.০০ ঘটিকা পর্যন্ত।
১১. দরপত্র দাখিলের তারিখ, সময় ও স্থান: ২১/০৫/২০২৪খ্রিঃ দুপুর ১২.৩০ ঘটিকা। ইন-সার্ভিস ট্রেনিং সেন্টার, গাইবান্ধা।
১২. দরপত্র খন্ডায়ন: ২৫/০৫/২০২৪খ্রিঃ দুপুর ১১.৩০ ঘটিকা। ইন-সার্ভিস ট্রেনিং সেন্টার, গাইবান্ধা।
১৩. দরপত্র দাখিল ও বিক্রয়কারী অফিসের নাম ও ঠিকানা: ইন-সার্ভিস ট্রেনিং সেন্টার, গাইবান্ধা।
১৪. দরপত্র গ্রহণকারী অফিসের নাম ও ঠিকানা: ইন-সার্ভিস ট্রেনিং সেন্টার, গাইবান্ধা।
১৫. দরপত্রের সাথে যে সকল কাগজপত্র জমা প্রদান করতে হবে: যাদবদান্য ট্রেড লাইসেন্স, যাদবদান্য আয়কর সার্টিফিকেট, যাদবদান্য ভ্যাট রেজিস্ট্রেশন সার্টিফিকেট, বিসিত ৩ মাসের ব্যালেন্স স্টেটমেন্ট এর বিবরণী, সফটিক কাচের অভিজ্ঞতার সার্টিফিকেট ও জাতীয় পরিচয়পত্রের ফটোকপি (সকল কাগজপত্র নামমুহূর্তে সীলনসহ সত্যায়িত হতে হবে)
১৬. দরপত্র আহ্বানকারী অফিসের নাম: ইন-সার্ভিস ট্রেনিং সেন্টার, গাইবান্ধা।
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