

## Monno Ceramic's profit triples in Jul-Sept

STAR BUSINESS REPORT

Monno Ceramic Industries posted a more than threefold rise in profit in the July-September quarter of fiscal 2025-26, driven by stronger revenue and improved operational efficiency.

According to a disclosure on the Dhaka Stock Exchange yesterday, its earnings per share (EPS) stood at Tk 0.25 for three months to September, compared with Tk 0.08 in the same period a year earlier.

The ceramics manufacturer said the increase was supported by stronger revenue and better operational efficiency, despite higher finance costs stemming from rising interest rates.

Its net operating cash flow per share slipped deeper into negative territory, to negative Tk 0.78 from negative Tk 0.26 a year earlier, due to higher cash payments to suppliers and increased interest expenses.

The company also reported a rise in net asset value per share, reflecting improved profitability.

As of October 31, the sponsors and directors held 30.54 percent of the shares, the public held 54.89 percent, and the rest were owned by institutions and foreign investors.



PHOTO: TITU DAS

Farmers tend to winter flower seedlings at a nursery in Alankarkathi village of Nesarabad upazila in Pirojpur. The photo was taken recently.

# As winter nears, Barishal nurseries pin hopes on flower seedling sales

SUSHANTA GHOSH

Flower seedling growers, nursery owners, and agricultural workers across the Barishal division are busy cultivating winter flower seedlings, hoping for a profitable season after last year's losses.

Many said that lower sales last year left them in financial trouble. To recover, they have expanded cultivation this year, using more land and producing a wider variety of seedlings.

Nursery traders and farmers said political unrest last year sharply reduced the number of wholesale buyers, causing major losses. This year, they hope to recover through better sales.

Flower seedling cultivation has now spread across the region after Tetla village in Banaripara upazila of Barishal and Alankarkathi, Kuniyari, Mahmudkathi, and Sultanpur villages in Nesarabad upazila of Pirojpur showed promising results.

In at least 20 villages of Nesarabad and Banaripara upazilas, winter flower seedling cultivation is in full swing, and in many places, seedlings have already grown up to one foot tall.

Local nursery workers said the most popular varieties include marigold, dahlia, zinnia, cosmos, chrysanthemum, rose, gerbera, petunia, jasmine, gladiolus, tuberose, tulip, daisy, dianthus, lotus, carnation, sunflower, and star petunia — over a hundred varieties in total. Prices range from Tk 20 to Tk 250, depending on the type and size.

PRODUCTION EXPANDS ACROSS THE REGION

According to the Department of Agricultural Extension (DAE) in Barishal, the region has about 580 nurseries spread over 9,567 acres of land, nearly half of which are

now used for winter flowers.

Pirojpur district has the highest concentration, with 395 nurseries on 291 acres, more than half devoted to winter flower production. Overall, winter flower cultivation in the region has increased by about 20 percent compared to last year.

More than 1,000 nursery workers are currently involved in producing seedlings, and officials estimate around 50 lakh seedlings will be sold this season, with a market value of about Tk 10 crore.

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Suman Molla, owner of Jannat Nursery in Barishal, said his nursery grows chrysanthemums, cosmos, marigolds, roses, and other flowers. "We're selling flower seedlings at Tk 40 each and fruit saplings at Tk 150," he said.

In Kuniyari village of Nesarabad upazila, Md Bakir Hossain, manager of Pintu Nursery, said they produced 15,000 seedlings last year but sold only half.

"This year, we've increased production to 20,000 seedlings, priced between Tk 15 and Tk 250. To recover last year's losses, we've expanded production by 20-25 percent. Prices have also gone up by 40-50 percent. Hopefully, we'll be able to make up for the losses this year," he said.

Samiran Roy, a nursery farmer in Nesarabad's Kuriana village, said, "I've planted seedlings on 90 percent of my land this year.

I expect to earn around Tk 2 lakh. Since the weather is favourable, I've slightly increased production for better profit."

Jahangir Alam, manager of Kohinur Nursery in Nesarabad, said, "Last year, buyers from outside Barishal couldn't come as expected, and many institutions cut their budgets for flower gardens and tree planting. As a result, we suffered losses when many seedlings remained unsold."

Farmers said they started planting in late October as the weather remained favourable. They expect the cultivation and sale of seedlings to continue until February.

Mahfuzul Islam, agriculture officer of Nesarabad upazila, said there are around 2,000 small home-based nurseries in the area, along with 363 large ones. "Farmers in Alankarkathi, Akolom, Jalabari, Sultanpur, Mahmudkathi, and Kuriana villages are very busy this season. Winter flower cultivation has increased by 15 to 20 percent compared to last year," he said.

Nazrul Islam Sikder, additional director of the DAE in Barishal, said nursery farming is becoming more popular in the region, especially in Nesarabad and Banaripara.

"Favourable weather has boosted production this year, and the region's nurseries are now major suppliers for the whole country. We expect farmers to make good profits this season," he added.

Ali Ahmed, upazila agriculture officer of Jhalakathi Sadar, said, "Although there are no large nurseries here, many farmers grow seedlings in their home yards. Right now, they are busy cultivating winter flowers and vegetables."

Mostafizur Rahman, upazila agriculture officer of Barguna Sadar, said, "A few nurseries operate within residential areas, and farmers there are currently producing seedlings."

## Reforms overdue on tax assessment

AF NESARUDDIN

Unlike in many other countries, honest taxpayers in Bangladesh often face higher taxes, harassment and injustice, and are sometimes pushed towards corruption. Meanwhile, tax evaders get away by resorting to corrupt practices, false financial reporting and underpayment. This situation has led to lower tax collection, a narrow tax base, excessive reliance on indirect taxes, an unfavourable investment climate and, ultimately, slower economic growth as seen over the past many years.

Experts have long called for tax reforms, but little attention has been paid. Several initiatives were launched in the past, including the creation of Large Taxpayers Units (LTUs) for both direct and indirect taxes, at considerable public expense. It was intended that all tax circles would eventually follow the LTU model. Unfortunately, this process was systematically and deliberately discontinued by the tax authorities, and the LTUs now function like any other tax circle.

Similarly, the Central Intelligence Cell (CIC) of the National Board of Revenue (NBR) was formed more than two decades ago to combat tax evasion more effectively. Yet, its performance remains unimpressive. Officials there continue to operate in the traditional manner of a tax office. To make it effective, the CIC should include professionals with strong accounting and auditing knowledge alongside expertise in tax laws. Without such competence, tax investigations cannot be meaningful.

Tax reform has been overdue for several years. Admittedly, it is a lengthy and complex process, but some initiatives can be implemented immediately.

Short-term measures could include additional certification by independent professionals to verify the accuracy of tax returns, ensure reliable financial reporting and disclose correct taxable profits. These steps would help minimise evasion. Regular audit reports, especially for privately owned businesses, are not sufficient to meet these expectations. Above all, tax audits, an essential tool for combating evasion and corruption, should be conducted more professionally and effectively.

Foreign and multinational companies are often treated differently. Many foreign firms enjoy the privilege of remitting royalties abroad indefinitely. While Bangladesh welcomes investment in technology and capital-intensive industries, consumer goods are not a priority sector for foreign direct investment. Royalty remittance should therefore be permitted for a limited period, say, between 10 and 25 years, depending on the nature of the product and market category.

One of the most significant global developments in recent years has been the introduction of the Faceless Assessment Scheme, a revolutionary reform adopted in several countries, including India, in 2020. Since then, India's tax revenue has improved considerably. The scheme has reduced interaction between taxpayers and officials, lessened the compliance burden and made the system more efficient and transparent for both direct and indirect taxes. Under the scheme, all assessments take place electronically without any physical meetings between taxpayers and tax officers.

The key benefits of Faceless Assessment include eliminating face-to-face interaction, balancing workloads, improving operational speed and promoting local administrative setups. With the introduction of faceless assessment groups, assessment functions have been detached from geographical jurisdictions.

These reforms are neither too difficult nor too challenging. What is needed most is political will and a positive attitude among tax officials. Without such initiatives, the country's tax system will remain stagnant, which is deeply frustrating for both the economy and its citizens. Bangladesh must act now, without further delay. Time is of the essence, and delay only increases the cost.

The writer is a senior partner at Hoda Vasi Chowdhury & Co and a former president of ICAB



## Envoy Textiles' profit jumps 50% in Q1

STAR BUSINESS REPORT

Envoy Textiles reported a sharp rise in profit in the July-September quarter of fiscal 2025-26, driven by higher revenue and lower financial expenses.

According to its financial statements disclosed yesterday, the company's net profit stood at Tk 38 crore, up 50 percent year-on-year.

Its revenue grew 8 percent to Tk 474 crore, while financial expenses fell 8 percent to Tk 35 crore.

The company's earnings per share rose to Tk 2.26 for the quarter, compared with Tk 1.51 a year earlier.

Its net operating cash flow per share also improved significantly, reaching Tk 3.67, compared with Tk 0.48 in the same period last year.

As of October 31, the sponsors and directors of the company held 65.18 percent of the shares, the public held 13.40 percent, and the rest were owned by institutions and foreign investors, according to Dhaka Stock Exchange data.

## Trump says US faces 'economic disaster' if Supreme Court rules against tariffs

REUTERS, Washington

US President Donald Trump said on Monday the United States faced an economic and national security disaster if the Supreme Court ruled against his use of an emergency powers law to impose sweeping tariffs against nearly every country.

Trump said his administration planned to issue a \$2,000 payment to lower- and middle-income Americans using the tariff dividends, while using the remaining proceeds to lower US debt.

Trump, who has previously floated the idea of using tariff revenues to pay what he calls a "dividend" to lower-earning Americans, repeated it in a Truth Social post on Sunday and during remarks to reporters in the Oval Office on Monday. "We're going to issue a dividend to our middle income people and lower income people - about \$2,000 - and we're going to use the remaining tariffs to lower our debt," Trump said during the swearing-in of his new envoy to India, Sergio Gor.

Kevin Hassett, Trump's top economic adviser, told reporters at the White House on Monday the administration had initially thought it needed to use the tariff revenues solely for deficit reduction, but now saw a chance to move forward with a dividend payment due to what he called "a big surge in tax revenues."

Trump's poll numbers have weakened in recent months amid growing concerns about the economy and ongoing frustration about inflation, with many voters citing affordability as part of their decision to vote Democrats into office in New Jersey, Virginia and New York City.

# Trump's dollar balancing act may hinge on hedging

REUTERS, Orlando

The Trump administration scored a surprise win-win this year, as Wall Street boomed while the dollar fizzled. But a repeat next year is unlikely as the root of that sweet spot, dollar hedging, may be missing.

A weaker exchange rate is central to President Donald Trump and Treasury Secretary Scott Bessent's vision of restoring the might of US manufacturing, increasing US exports, and narrowing the country's huge trade deficit.

The administration got its wish this year, with the dollar index clocking its worst January-June period in more than half a century, plunging as much as 12 percent at one point, while the S&P 500 shrugged off the 'Liberation Day' tariff chaos in April and soared to new highs.

The key ingredient in this unusual mix was dollar hedging. Overseas investors balked at Trump's economic and foreign policy agendas early into his second term in office, but they still wanted exposure to the artificial intelligence-fueled equity boom. So they hoovered up US stocks, but hedged the currency risk by selling the dollar via derivatives contracts.

The dollar has been broadly steady since June, while Wall Street has moved ever higher, suggesting there may still be sufficient hedging activity capping the dollar's upside.

In fact, more than 80 percent of US

equity inflow from abroad is now hedged, according to Deutsche Bank. If true, that suggests there's not much scope to increase.

Of course, no official hedging data exists, nor any singular method to

measure it, resulting in a wide range of estimates, with Deutsche Bank's approximation at the top end.

Strategists at JPMorgan reckon hedging demand has cooled in recent months as the apocalyptic trade war fears of earlier this year have faded and the dollar has stabilized.

They analyze net inflows into US equity exchange-traded funds domiciled abroad, assessing what percentage of this capital goes to currency-hedged versus unhedged ETFs.

There has been steady demand for both from foreign investors since July, but the flow in dollar terms has been significantly skewed to the much-larger pool of unhedged ETFs.

How will hedging demand shape up next year? If the world's view of the dollar and the US darkens as it did early this year, investors are likely to maintain high hedge ratios, limiting the dollar's upside even if foreign buyers retain their appetite for Big Tech-related equities.

On the other hand, the AI-driven 'US exceptionalism' narrative has re-emerged since mid-year. Just look at Nvidia's recent \$5 trillion valuation. If the US economy outperforms next year, foreign investors may have little reason to hedge at all.



Pedestrians walk past a currency exchange shop in central Tokyo. The dollar has been broadly steady since June, while Wall Street has moved ever higher, suggesting there may still be sufficient hedging activity capping the dollar's upside.

PHOTO: AFP/FILE