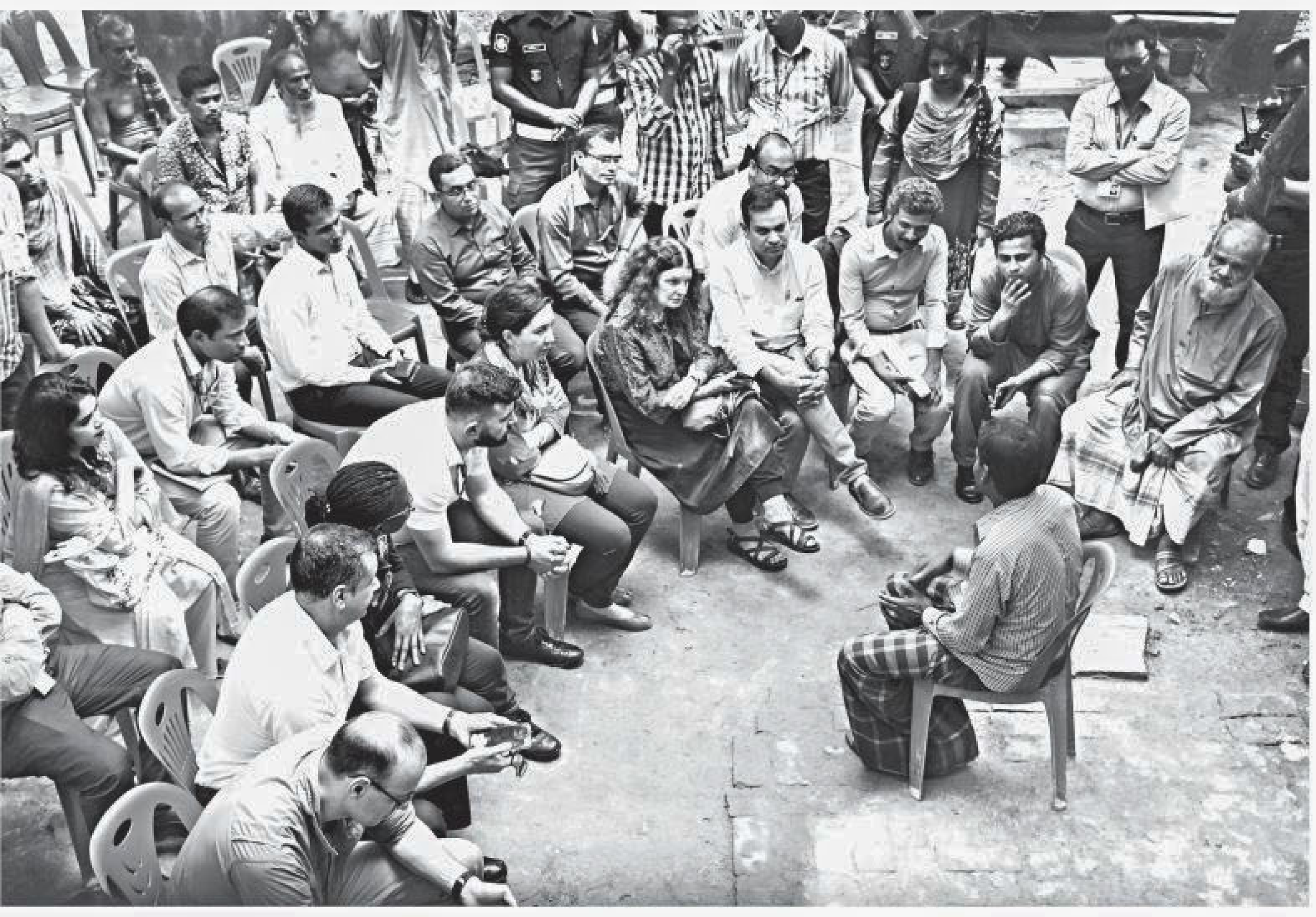
Impressive work done under Prottasha

EU envoy says after visiting the EU-funded project in Khulna



IOM BANGLADESH

EU Ambassador Rensje Teerink listens to a Bangladeshi national who was sharing his experience about his visit to Europe for work and his life after returning to Bangladesh, at a project site of Prottasha at Dumuria upazila in Khulna on July 18.

STAR BUSINESS DESK

EU Ambassador Rensje Teerink has recently visited Khulna to observe the activities and impact of the Prottasha project and expressed her satisfaction on the work being done under the initiative funded by the European Union.

"I am very impressed with the work being done under the Prottasha project," Teerink, also the head of the EU delegation to Bangladesh, said about the four-year project which is being implemented in 10 districts of Bangladesh since 2017.

"I take this opportunity to reassure that the EU stands shoulder to shoulder with the government of Bangladesh in reintegrating migrants back in their community."

International Organization for Migration (IOM) has been implementing the project in close collaboration of the Ministry of Expatriates' Welfare and Overseas Employment and in partnership with Brac.

The project aims at the sustainable reintegration of returnees and the progressive achievement of Sustainable Development Goal 10.7 -- to facilitate orderly, safe, regular and responsible migration and mobility of people.

During her three-day visit from July 17, Teerink was accompanied by Giorgi Gigauri, chief of mission of IOM Bangladesh; Dimanche Sharon, deputy chief of mission, and Asif Saleh, acting executive director of Brac.

There are three components of the project which are: reintegration, governance and raising awareness, IOM Bangladesh said in a statement yesterday.

Reintegration aims to ensure that the returnee migrants are sustainably reintegrated while the awareness raising component ensures returning migrants, aspirant migrants, their families, communities, local government, and private sector are able to make informed decisions about migration.

During the visit to Dumuria upazila, EU delegates interacted with the beneficiaries, para-counselors and migration forum members at the project locations.

They also attended an interactive popular theatre show on promotion of safe migration, remittance management, and reintegration services, according to the statement.

On the second day of the visit, the EU delegates attended a district coordination committee meeting at the deputy commissioner's office and visited a reintegration service centre in Khulna city.

"We are taking broader developmental approach when it comes to reintegration support to returnee migrants," said Gigauri.

"Therefore, we focus on the whole life cycle of the returnee migrants -- from providing immediate assistance at the airport to providing the gamut of services for sustainable reintegration."

"We take this opportunity to convey our deep gratitude to the EU for providing financial support," the chief of mission of IOM Bangladesh also said.

COLLECTED

Zunaid Ahmed Palak, state minister for ICT; Riva Ganguly Das, Indian high commissioner to Bangladesh; Sheikh Mohammad Maroof, additional managing director of City Bank; and Zakaria Masud, editor of Colors magazine, pose with the winners of the Colors Platinum Business Women Awards 2019 at the InterContinental Dhaka hotel yesterday.

Colors honours women entrepreneurs

STAR BUSINESS REPORT

Lifestyle magazine Colors has honoured women entrepreneurs in seven categories for their impressive success in the field of business.

The magazine, which is published from Dhaka and New York, organised the Colors Platinum Business Women Awards-2019 with the support from City Alo, the dedicated women banking division of City Bank.

State Minister for ICT Zunaid Ahmed Palak and Indian High Commissioner to Bangladesh Riva Ganguly Das attended the award-giving ceremony at InterContinental Dhaka on Saturday.

The magazine honoured Rumana Chowdhury of Warah with the Platinum Business Woman of the Year award while Sausan Khan Moyeen of Enchanted Events and Prints received the Business Enterprise of the Year award.

Tania Wahab of Karigar secured the SME Enterprise of the Year award and Amena Khatun of Nila and Sons won the Innovative Project of the Year award.

The Start-up of the Year award went to Trina Falguni of Sugar Communications Limited, the Innovative Solution of the Year award in the IT category to Fahmida Islam of La mode while Nabila Nowrin and Nahid Sharmin of Moar got the Rising Star of the Year award.

The event was also addressed by General Manager of InterContinental Dhaka Marc Reissinger and Additional Managing Director of City Bank Sheikh Mohammad Maroof.

"We took the decision to award the women entrepreneurs as part of an effort to recognise their endeavours of women who have tremendously been contributing to the economy," Editor and Publisher of Colors Zakaria Masud said at the event.

The Daily Star is one of the media partners of the event for which InterContinental Dhaka was the hospitality partner.

Stocks continue to bleed, Tk 23,142cr lost in 3 weeks

FROM PAGE B1

The commission should have forced the listed companies to follow the rules and regulations, said Mizanur Rahman, a professor of the Dhaka University's accounting and information systems department.

"This would have made the wrongdoers think twice before cheating the investors."

The liquidity crisis in financial institutions is another reason behind the erosion of investors' confidence.

The impending liquidation of Peoples' Leasing and Financial Services has dampened investors' spirits as they will lose all the money they have put in the non-bank financial institution.

"Such a situation may happen to some other companies and this has impacted their confidence badly," Rahman added.

In response, a top BSEC official requesting anonymity said it is not possible to rebuild the confidence of investors in a day.

"We were not successful in doing so in the past for many reasons, but now we are really trying to bring the confidence back," he said, while citing the initiatives taken on initial public offering recently to further his point.

The telecom regulator's move to declare Grameenphone a significant market power (SMP) in February has played a huge role in dampening the confidence of stock investors, said a top official of a leading stock broker.

As an SMP, higher charges will be applied on Grameenphone, which will squeeze the business growth of the country's leading mobile phone operator.

"Grameenphone is the largest listed company, so its woes are bound to spill over into the whole stock market."

The slide in Grameenphone shares ultimately impacted the institutional and foreign investors' confidence, so they are retreating from the market entirely, the official added.

The DSEX dropped 96.95 points, or 1.88 percent, yesterday, while turnover dropped 6.7 percent to Tk 368.64 crore.

Of the traded issues, 61 advanced and 273 declined, while 18 remained unchanged.

Fortune Shoes dominated the turnover chart with its transaction of 49.63 lakh shares worth Tk 20.03 crore, followed by United Power Generations, Federal Insurance, JMI Syringes and Beximco.

Vanguard AML Rupali Bank Balanced Fund was the day's best performer with its 10 percent gain, while Aziz Pipes was the worst loser, shedding 9.97 percent.

Chittagong stocks also fell, with the bourse's benchmark index, CSCX, declining 185.03 points, or 1.93 percent, to finish the day at 9,373.25.

Losers beat gainers as 231 declined and 42 advanced, while 11 finished unchanged on the Chittagong Stock Exchange. The port city bourse traded 79.29 lakh shares and mutual fund units worth Tk 17.10 crore.

ICCB

ICC Bangladesh President Mahbubur Rahman, *sixth from left on front row*, poses with bankers from 10 Bangladeshi commercial banks at International Financial Crime Forum 2019 in Kuala Lumpur recently.

Mostafa Group eyes a comeback

FROM PAGE B1

The group, once the country's top commodity importer, paid back loans amounting to Tk 1,600 crore on various occasions and the current amount has been accumulated as interests, according to Mostafa Group's Managing Director Jahir Uddin.

Failing to recover money from the group, the lenders have far filed more than 100 cases with the Money Loan Court.

The court issued around 45 arrest warrants against Rahman and a number of directors.

Rahman, also a former president of the Bangladesh Ship Breakers Association, was arrested from the group's head office in the port city's Agrabad in connection with two cases filed by Union Capital.

The bad shape of Mostafa Group is contrast compared to its beginning.

Founded in 1952 by late Mostafizur Rahman, the group was initially engaged in commercial trading, export and import.

Later it branched out into manufacturing of steel products, iron and mild-steel rod, shipbreaking, artificial leather making, and shrimp cultivation, processing and export.

It also has business in textile and readymade garments, paper, refined palm and soybean oil, coconut oil, tea, rubber plantation, transport, IT and the financial sector.

The group had no bank loans when its founding chairman was alive and it used to run the operations mostly banking on cash.

It changed after Rahman died in 2006 and when his seven sons took charge of the group. Since then the group went for massive borrowing.

The lenders also jumped in and lent more than what Mostafa Group required. It faced gradual losses for the lack of skill in managing business.

It is alleged that Mostafa Group bought huge land by diverting funds.

The group took most of the bank loans between 2007 and 2012, Jahir Uddin said.

During the period, the prices of commodity items, including edible oil, fluctuated globally abnormally and the group incurred a loss of about Tk 600 crore. It lost another Tk 100 crore in the shipbreaking sector.

"We sought working capital to recover from the losses, but banks refused. So, we have failed to make a comeback," Jahir Uddin said.

He said the group set up 35 industries with own cash and bank loans but now 14 are in operation. The rest are ready to go for production but have been forced to remain shut due to a lack of raw material for want of money.

Md Abdul Mannan, manager of Southeast Bank's Agrabad branch, said senior officials of Mostafa Group contacted them and showed interest to repay their loan amounting to Tk 200 crore under the loan rescheduling facility.

The official hoped to recover the money since there is enough mortgaged assets against the loan.

Mostafa Group used to employ 16,000 workers in 2012 but the closure of many of its factories has brought the headcount down to 6,000.

Novoair to increase flights on Dhaka-Saidpur route

STAR BUSINESS DESK

Novoair is set increase the number of daily flights on the Dhaka-Saidpur route from four to five from August 1.

The new flight will leave Dhaka at 1:00pm and from Saidpur at 2:30pm. The other flights leave Dhaka at 7:30am, 10:00am, 4:00pm and 6:00pm and Saidpur at 9:00am, 11:30am, 5:30pm and 7:30pm.

The private airline also operates five daily flights to Chattogram, five to Cox's Bazar, five to Jashore, two to Sylhet and one to Barishal, Rajshahi and Kolkata.

One way fare to Chattogram starts at Tk 2,500, Cox's Bazar Tk 3,900 and Jashore, Saidpur, Sylhet, Rajshahi and Barishal Tk 2,700. Kolkata return fares start at Tk 11,300.

Kamal sits with state banks today

FROM PAGE B1

The state-run commercial banks are Sonali, Janata, Agrani, Rupali and BASIC, while the specialised state banks are Bangladesh Krishi, Rajshahi Krishi Unnayan and Bangladesh Development Bank.

As of March, Agrani, BASIC, Janata, Rupali, Bangladesh Krishi and Rajshahi Krishi Unnayan had a combined capital shortfall of Tk 15,953.41 crore, Bangladesh Bank data shows.

The government injects capital into the state banks every year but there has been no improvement in their capital base or their corporate governance, according to experts.

In the last 17 years, the government has injected a total of Tk 20,584 crore into the state banks. This year, it will provide Tk 1,500 crore.

Rejoinder, our reply

FROM PAGE B1

The rescheduled amount mentioned in the report is much higher than our total classified investment amount as on December 31, 2018. It is obvious to all that the rescheduled amount cannot be higher than the classified investment amount. We strongly protest that the information mentioned in the report is not authentic and this will mislead stakeholders.

You are well aware that SIBL is a prestigious financial institution in the country. This type of derogatory report is utterly unfortunate for us and this will convey to the people a negative scenario of the whole banking industry.

Our Reply

The Daily Star ran the report based on the latest central bank figures on loan rescheduling, which is of the first quarter of 2019. Our report did not mention that the default loans at the bank stood at 11.70 percent as of March 31. What it said was: in the first three months of the year its default loans soared 11.70 percent to Tk 1,559 crore. So, we stand by our report.

Collaboration to accelerate RMG wage digitalisation

FROM PAGE B1

Roughly a million apparel workers are now digitally receiving salaries from factories such as Noman Group, DBL Group and Mohammadi Group.

The challenge is to accelerate the adoption from the current 200 to 250 factories to the over 2,500 factories.

The study, which engaged around 40 management professionals and owners from the apparel sector, recommended greater collaboration between buyers, suppliers, digital financial service providers, government agencies and industry associations to accelerate wage digitisation.

Of the factories, 50 percent were using a banking system to disburse salaries, 30 percent mobile financial service (MFS) and 20 percent were found doing it in cash.

Of the total, 70 percent were paying wages in a hybrid model of either banking plus cash or cash plus MFS.

The report, however, found 82.5 percent of the digitised factories were saving a significant amount of time during wage analysis and salary disbursement.

Factory management stated that digitised platforms provide 60 percent less complexities over manual ones alongside real-time data, seamless monitoring and reviewing and in recording variable component of salaries on top of the government mandated base, allowing sounder decision-making.

The digital financial service providers need to expand the ecosystem to increase adoption among workers while factories must have enough options to digitise at a realistic rate with a service provider that suits them, according to the report.

Digital advocates among large suppliers and hosting platforms for knowledge sharing are required alongside training for workers on tech literacy by stakeholders to make a smoother transition.

Sheikh Md Monirul Islam, chief external and corporate affairs officer of bKash, said they helped 180 factories to digitise in the last two years to benefit over 200,000 workers.

Moreover, bKash itself bears the 1.85 percent transaction charge in 90 percent of the factories while jointly with the factory owners in the rest, meaning workers do not lose any money while availing the services, he said.

The ICT ministry and Bangladesh Garment Manufacturers and Exporters Association recently signed a preliminary agreemnet to create and launch a digital payment gateway within a few months, said Tina F Jabeen, investment adviser of ICT Division's Startup Bangladesh.

This will allow workers to access their cash through an app alongside connecting merchant and banking networks, startups and service providers, she said.

Mashook Mujib Chowdhury, deputy manager for sustainability at DBL Group, gave a presentation on some of the problems they were facing when adopting wage digitisation.

Amer Salim, group director of Knit Asia, and David Hasanat, CEO of Viyellatex Group, also spoke at the programme.

Chinese companies seeking new purchases of US farm products

REUTERS, *Beijing*

Some Chinese companies are seeking new purchases of US agricultural products, China's official Xinhua news agency said on Sunday, citing authorities.

"Some Chinese enterprises have inquired with US exporters about the purchase of agricultural produce and applied for the lifting of tariffs on the products," Xinhua said.