

# No advance payments in e-commerce: BB

STAR BUSINESS REPORT

Bangladesh Bank yesterday said e-commerce platforms would not be able to receive payments in advance for any products or services rendered.

Some e-shops instruct shoppers to deposit money directly into their respective bank accounts before delivering a product or service, breaching Bangladesh Bank regulations.

As per the digital commerce guidelines 2021, there is no scope to make these types of advance payments, according to a central bank notice.

Bangladesh Bank has asked lenders to monitor the accounts of e-commerce companies by way of verifying the transaction profiles.

On top of that, banks have to analyse the characteristics and risks of the accounts as a whole, it said. The central bank move comes in tune with requests made by the commerce ministry in a letter sent to its governor, Fazle Kabir, on August 26.

The ministry said the e-commerce companies had followed the method to bypass digital commerce guidelines.

In July, the commerce ministry decided to hold payments from being made by customers to local e-commerce platforms until consumers received the purchased items.

The development followed rising allegations against a number of digital commerce platforms that they were not delivering goods and products in a timely manner or delaying too much against advance payments made by consumers for the products.

# StanChart Saadiq wins Islamic awards

STAR BUSINESS DESK

Standard Chartered Saadiq Bangladesh has been recognised as "Islamic Bank of the Year" and "Best Islamic Retail Bank" at The Asset Triple A Islamic Finance Awards 2021 yesterday.

This takes international awards won by Standard Chartered Saadiq Bangladesh in 2021 to four, says a press release. The awards recognise Islamic banks, houses and deals that define the industry.

"Islamic finance in Bangladesh is fast evolving, keeping pace with our dynamic economy," said Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh.

"(The lender's) Islamic banking (is) overseen by an independent global Shariah board consisting of world renowned Shariah scholars," he said.

With a network spanning across Asia, Africa, and the Middle East, Standard Chartered Saadiq caters to both retail and corporate clients seeking access to new markets through Shariah-compliant product offerings.



**Md Sazzad Hossain, deputy managing director of Bank Asia, handed over a donation cheque worth Tk 50 lakh to Maj Gen Mohammed Saidul Islam, chairman of Sena Kalyan Sangstha, at SKS Tower, Mohakhali in Dhaka recently for the welfare of people affected by the Covid-19 pandemic. Tanfiz Hossain Chowdhury, senior executive vice-president of the bank, was present.**

BANK ASIA

# Stocks continue to decline

STAR BUSINESS REPORT

The stock market maintained its downward trend yesterday, marking three days of decline as cautious investors opted to take their profits when the benchmark index of the country's premier bourse recently hit a record high.

The DSEX, the prime index of the Dhaka Stock Exchange (DSE), fell 27 points, or 0.40 per cent to 6,823 yesterday while the DS-30, the blue-chip stock index, dropped 9 points to 2,443 at the same time.

"Some investors are taking profits so the index fell for the last few days but this tendency is good for making the market sustainable," a stock broker said.

This includes many institutional investors who have shortened their portfolios.

However, general investors are still buying stocks, hoping that the market will rise again, he added.

The stock broker went on to say that since many stocks are still lucrative, smart investors find these out through meticulous research.

"I'm not saying that the market is overvalued so investors should not buy stocks, but I'm telling people to buy stocks

only after analysing a company's potentials and its price," he said.

Turnover, another important indicator of the market, nosedived 17 per cent to Tk 1,846 crore at the DSE, where 131 stocks advanced, 215 fell and 29 remained unchanged.

Aziz Pipes topped the gainers' list, rising 9.85 per cent, with the company's share value having skyrocketed 46 per cent altogether in the past month.

The pipe maker's paid-up capital was Tk 5.3 crore and its number of shares is 53 lakh, according to DSE data.

South Bangla Agriculture & Commerce Bank shed the most, losing 8.94 per cent, followed by Meghna Condensed Milk, C&A Textiles, Imam Buton and Islamic Finance & Investments.

Stocks of Beximco Ltd traded the most, worth Tk 106 crore, followed by LafargeHolcim Bangladesh, SAIF Powertec, Paramount Textiles, and Shahjibazar Power.

The Chittagong Stock Exchange (CSE) also declined yesterday as the CASPI, the general index of the port city bourse, edged down 86 points, or 0.43 per cent, to 19,844.

Among the 317 traded stocks, 101 rose, 186 fell and 30 remained unchanged.

# Japan's Inpex sells Venezuela oil and gas assets to local group

REUTERS

Japanese oil company Inpex Corp sold two Venezuelan oil and gas assets to Caracas-based Sucre Energy Group, three people familiar with the transaction said, as multinational firms retreat from the crisis-stricken OPEC nation.

Sucre, a privately-held exploration and production firm focusing on improving mature fields in Latin America, purchased Inpex's 70 per cent stake in the Gas Guarico natural gas partnership with state oil company PDVSA, as well as its 30 per cent stake in the Petroguarico oil joint venture, said the people, who spoke on the condition of anonymity because the deal was not yet public.

Inpex declined to comment. Neither Sucre nor PDVSA responded to requests for comment.

The three people declined to specify the value of the transaction.

Inpex is the latest in a string of major oil companies to abandon once-promising assets in Venezuela, home to some of the world's largest crude reserves but plagued by hyperinflation, corruption, and US sanctions on PDVSA aimed at ousting President Nicolas Maduro, labeled a dictator by Washington.

# Indo-Bangla trade has potential to reach \$16b

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"Is this enough? No, we want to expand bilateral trade more and more as Bangladesh is our largest development partner," Doraiswami said.

However, there are difficulties and challenges which need to be addressed beforehand in the interest of both parties.

According to a World Bank report released in March this year, intraregional trade in South Asia accounted for barely 5 per cent of the region's total trade, just a fraction of the 25 per cent for the ASEAN region.

Bilateral trade between Bangladesh and India represents only 10 per cent of the former's foreign trade and one per cent of India's, as per the report styled, "Connecting to thrive: challenges and opportunities of transport integration in eastern South Asia".

A key factor for the low trade volume is sub-optimal transport integration in the region. Transport integration agreements in South Asia are therefore crucial for creating cross-border integrated transport markets.

A motor vehicles agreement signed by Bangladesh, Bhutan, India, and Nepal in 2015 is a cornerstone of that integration. If implemented in full, it could lead to seamless movement of passenger, personnel and cargo vehicles across the South Asian countries, the report said.

Regarding connectivity and its benefits, Pramyesh Basall, second secretary (commercial) to the Indian high commission, said a free trade agreement could increase Bangladesh's exports to India by 182 per cent and India's exports to Bangladesh by 126 per cent.

Similarly, improving transport connectivity could increase exports even further, yielding a 297 per cent increase in Bangladesh's exports to India and 172 per cent increase in India's exports to Bangladesh.

Basall also said seamless transport connectivity between the two nations could increase national income by as much as 17 per cent for Bangladesh and 8 per cent for India.

Basall sees huge potential in the export of Bangladeshi construction materials like cement and steel to the northeastern states

of India as huge infrastructure development works are ongoing there.

According to him, Bangladesh could use river routes as well as the Sabroom land port in south Tripura, bordering Ramgarh of Bangladesh's Khagrachari, to transport products to the northeastern states at a cheaper cost.

Regarding foreign direct investment (FDI), he said Indian investors, including 353 Indian companies, put in \$3.55 billion in different sectors of Bangladesh till date.

He also said Indian and Bangladeshi companies signed agreements worth nearly \$10 billion for Indian investment, mainly in the power and energy sectors, during a visit of Prime Minister Sheikh Hasina to India in April 2017.

And with Indian economic zones coming up at Mongla and Mirsarai, the amount of FDIs from the neighbouring nation is bound to increase manifold, he added. However, the second secretary raised some issues, including high customs duty of up to 400 per cent and a lack of infrastructure at dry ports.

He also pointed out that para-tariffs, supplementary, regulatory and customs duties, advance income tax and value added tax increased the cost of doing business.

Regarding an anti-dumping duty imposed on Bangladeshi jute products by the Indian government, he said the Bangladesh government was addressing it with a subsidy on the export of jute products.

Anita Barik, railway adviser of the Indian high commission, suggested using the railways to reduce transportation costs.

Pointing out that rail connectivity between Bangladesh and India had remained suspended during the 1965 India-Pakistan war, she said India was helping Bangladesh develop its rail connectivity to reduce the trade gap.

"We are emphasising on reconnecting all previous alignments between the two countries to make bilateral trade cheaper," she noted.

Bino George, deputy high commissioner, and Priyanshu Tiwari, resident representative of the Exim Bank of India, also addressed the seminar.



**Qazi Akram Uddin Ahmed**  
**Lions Clubs International names goodwill ambassador**

STAR BUSINESS DESK

Lions Clubs International has named Qazi Akram Uddin Ahmed, chairman of Standard Bank, as a goodwill ambassador for his services as its international director for the past three years.

Ahmed has been a Lions member for more than 43 years.

He was elected international director by Lions leaders from more than 200 countries in its 101st International Convention held in Las Vegas in 2018.

# India attracts \$22.5b in FDI in Apr-Jun

REUTERS, New Delhi

India attracted foreign direct investment (FDI) inflows of \$22.53 billion during the first three months of the fiscal year starting on April 1, 90 per cent higher than the April-June period last year, the government said on Saturday.

# Jamdani industrial estate: a tale of unmet dreams

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The number of weavers has dropped to less than 2,000, although a 2002 BSCIC survey had at that time counted over 2,500.

Deprived of wages that justify the long working hours and exquisite skills alongside developing back pain and a decreased ability to see working with the fine yarn, the weavers are switching to other professions.

The same is being opted by their next generation. People involved in the industry have expressed apprehensions about their existence in the days to come.

This poses a big threat to the heritage fabric reminiscent of Mughal rule.

It takes at least around 10 years for an apprentice to gain the skills required to be acknowledged as a weaver.

Moreover, the geometric designs on the fabric, reflecting local flora and fauna, come from instinct and are passed down verbally through generations.

These efforts highlight the value of Jamdani.

The traditional art of Jamdani weaving in Bangladesh has already been put up in the United Nations Educational, Scientific and Cultural Organization's (Unesco) Representative List of Intangible Cultural Heritage of Humanity on December 4, 2013.

Moreover, the government certified Jamdani as a Geographical Indication (GI) product five years back. The temperature, humidity, soil ecology, and minerals in the Sitalakhya's waters are uniquely suited for the production of Jamdani.

The estate's entrepreneurs earned around Tk 30 crore to Tk 32 crore in 2020 from around 60,000 pieces of sari, salwar kameez, panjabi, screens, neckties etc.

However, annual earnings some 20 years back were as much as Tk 45 crore to Tk 50 crore.

The acceptance and demand for

Jamdani products has significantly increased in the past 20 years, as testified by entrepreneurs and vendors at several markets around Dhaka.

"The demand for Jamdani products, especially saris, have increased by 4 to 5 per cent in the country in the last 10 years," said Saiful Islam, a salesperson at Adi Jamdani Cottage in Dhanmondi Hawkers Market of Dhaka.

"But the impact of Indian Jamdani saris and other products is increasing day by day, which is detrimental to the entrepreneurs of our country," he added.

"Jamdani is a special product for which it is very important for its raw materials to be of special quality," said Khalid Mahmood Khan, director of fashion brand Kay Kraft.

"Supply of quality raw materials should be ensured throughout the year at fair prices," he said.

"It is also important to take special care of artists involved in making the product. And so, focus should be on increasing capital flow, diversities in designs and overall development of quality of life of the employees," Khan added.

Some of the estate's entrepreneurs, in a race for survival, have struck deals with established local lifestyle brands to supply their products.

"Entrepreneurs have to take up initiatives to sell their products online," said Jahangir Hossain, a weaver of the estate.

"The salaries of Jamdani artisans have to be increased in line with the current market prices of goods and incomes of other professionals," he added.

Weavers allege government support in marketing was inadequate, leading to a waste of the sector's potential.

However, the BSCIC organises three fairs every year for greater exposure -- on Bangla Academy premises on the eve of Pahela

Baishakh, the first day of the Bangla calendar; and two others in Chattogram and Dhaka ahead of Eid-ul-Fitr.

Though a couple of fairs are organised in India, at best 20 weavers get the opportunity to participate.

"The government should first build up a marketplace for Jamdani from where we can sell directly to buyers from different countries of the world. This will enhance the reputation of our product as well the market for Jamdani," said Belal Hossain, an entrepreneur.

Entrepreneurs Reluctant to Follow Rules

According to the BSCIC rules, the estate entrepreneurs should have at least three handlooms operational in each plot they are allotted.

But 50 per cent of the estate's 407 plots had one or two handlooms, allege the BSCIC officials, adding that entrepreneurs had erected rooms in the rest and rented those out as living quarters.

This was confirmed during a recent visit.

"Many weavers left the profession after taking plots. Some switched to another trade. Some have somehow kept their business alive. But they did not let go of the plot," said one entrepreneur seeking anonymity.

"Again, some don't have expertise on handlooms but bought a plot for its low price. Some entrepreneurs set up a few handlooms and had weavers running those only to prevent the plot allotment from being cancelled," he said.

Plots Sold Off Unlawfully

A section of entrepreneurs have sold off their plots without following the rules, unable to keep business running. This was the case for over 200 plots, depriving the government of revenue.

According to the BSCIC rules, an entrepreneur can sell a plot by paying a transfer fee of Tk 70,000 to the BSCIC.

Md Shamsuddin sold his "A-14" plot to entrepreneur Al-Amin six

months ago.

"My financial condition is not good. That's why I sold this plot that I received around fiscal 2001-02," said Shamsuddin.

"The business is not in a good shape because of the coronavirus pandemic. Hopefully next year I can legalise the purchase in accordance with the rules," said Al-Amin.

No Development Works

On a recent visit, the estate was found to have no paved road. Garbage was strewn all over the area and in small piles here and there.

In some places, sewage overflowed onto the roads, causing waterlogging. In others, movement was possible only over concrete slabs covering drains on the side of the road.

Locals say even a little rain causes knee-deep waterlogging. "Rain for an hour causes waterlogging which can easily enter into homes," said Lovely Begum, a resident of the area.

"It is difficult to move when it rains. We have complained about this on various occasions. But to no avail. It's been going on for years," she said.

Entrepreneurs said the estate's sole water pump had been inoperative since 2010. It was recently repaired at a cost of Tk 42 lakh. But a water supply line is yet to be built.

"The authorities are aware of these problems. Then again, I will talk to them. I hope we can resolve the problems step by step," said Shahjahan Ali, the estate's chief officer.

There are flaws in the estate's planning, one of which is letting weavers live there with their families, said BSCIC Chairman Mostaque Hassan. Weavers do not take it upon themselves to maintain the place, he said.

"This decision destroyed the image of the industrial estate. This mistake is not amendable. We have tried to solve the problems. But I couldn't solve it," he said.

# 227 win Commward

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The campaigns nominated for the award were launched on May 1, 2019, and continued till May 31, 2021. More than 1,100 nominations were submitted, of which 573 nominations were shortlisted.

Eventually 227 were selected as the winners after judging by 158 jurors who were split into 10 shortlisting jury panels and 10 grand jury panels. The winning campaigns were further scrutinised by four jury presidents to ensure proper ranking.

"Never before had we experienced a need to make clear effective communication that we did during the last one year," Nazia Andaleeb Preema, director of Bangladesh Brand Forum and founder of Bangladesh Creative Forum, said while addressing the event.

"Every phase we have passed since then required effective communication for us to survive and come out of this pandemic," she added.

Ferdous Hasan Neville, managing director of Asiatic MCL; Sarah Ali, managing director of FCB Bitopi; Syed

Gousul Alam Shaon, managing partner and country head of Grey Group Bangladesh; and Morshed Alam, managing director of Group M Bangladesh, were jury presidents of this year's Commward.

The 10th Commward was followed by a 10th Communication Summit under the theme "Metamorphosis of Creativity".

More than 500 professionals joined the programme, supported by Alesha Holdings.

The summit consisted of three keynote sessions, six panel discussions, three insight sessions and one case study presentation with speakers joining in from different regions of the world to share strategies and experiences that helped them thrive in the constantly changing communications frontier.

There were also renowned local industry experts who discussed a myriad of topics.

The keynote speakers for this year's summit were: Dagmara Szulce, managing director of IAA Global; Marie Claire Maalouf, executive creative director of Impact BBDO, UAE; and Kinga Incze, founder of Whiterport and Mediaspace.

# Brac Bank to raise Tk 600cr thru bonds

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Foreign investors will also be allowed to invest in the securities. Non-convertible bonds are considered a category of debt which cannot be converted into equity or stocks.

The bonds have a fixed maturity date and the interest can be paid along with the principal amount on either a monthly, quarterly, or annual basis depending on the fixed tenure specified.

The lower-and-middle income groups of the country will get loans from the fund

mobilised by the bond.

The repayment tenure of the housing loans will range between 10 and 20 years and the interest rate will be set as per Bangladesh Bank's rules.

This means the highest interest rate charged cannot surpass 9 per cent.

The bank is yet to fix a ceiling on the loan amount one can receive from the scheme.

The official also said that Brac Bank will need approval from both the BSEC and Bangladesh Bank to issue the bond.

# Bata returns to profit

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About 25 per cent of Bata's annual business comes during the two Eid festivals, according to the company.

Regarding the reasons behind the rise in profit in the current year, the company said its revenue increased by 426 per cent compared to the same period last year due to higher sales as older merchandise was cleared off by offering bulk discounts to customers.

Bata registered sales of Tk 210 crore in this year's April-June quarter while it was Tk

41 crore during the corresponding period in 2020, the company's financial report shows. With the quarterly profit disclosure, Bata's stock value rose 4.61 per cent to Tk 747 yesterday.

However, the company incurred losses of Tk 3.33 crore in the first half this year despite logging profits in the second quarter.

The damage was 95 per cent lower during this six-month period compared to that in the same period a year before, when its losses stood at Tk 70.6 crore.