WALTON HI TECH INDUSTRIES LIMITED

Walton has recently launched the second season of its video making contest styled 'Smart Fridge, Smart Maker' at its corporate office in Dhaka. Nazrul Islam Sarker, Eva Rezwana Nilu, Amdadul Hoque Sarker, Humayun Kabir and Alamgir Alam Sarker, deputy managing directors of Walton Hi-Tech Industries Limited, SM Zahid Hasan, senior executive director, and Robiul Alam Bhuiyan, senior deputy executive director, and actress Kusum Sikder, panel judge of the contest, were present.

BERGER PAINTS BANGLADESH LIMITED

Gerald K Adams, chairman of Berger Paints Bangladesh Limited, virtually presided over its 48th annual general meeting recently. The company declared 375 per cent cash dividend for 2020-2021. Rupali Chowdhury, managing director, Anil Bhalla, Anis A Khan, Masud Khan, Rishma Kaur, Kanwardip Singh Dhingra, Sunil Sharma, Parveen Mahmud, Abhijit Roy and Sazzad Rahim Chowdhury, directors, and Khandker Abu Jafar Sadique, company secretary, attended the meeting.

Mutual fund sector largely untapped for poor publicity

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"We want to provide anything they want for the sake of the growth of the sector," the BSEC chairman added.

The mutual fund industry provided dividends worth around Tk 600 crore last fiscal year, according to Hasan Imam, president of the AAMCMF.

"Apart from the dividend gain, capital gain of mutual funds was also attractive," he said, adding that units of listed mutual funds grew by 57 per cent in the last fiscal year while bank stocks rose by 54 per cent. As such, the benchmark index of the stock market advanced by 50 per cent at the same time.

The industry is still lucrative as most of the funds' net asset values are higher than their unit prices.

As mutual funds mostly invest in A-category shares, where there are around 50 to 60 companies, general investors get the chance to ensure safe investment.

Mutual funds are already investing in big and medium paid-up capital-based companies, most of which are following environmental and social governance.

"So, the sector can contribute to sustainable financing," Imam added.

Prof Mizanur Rahman, a commissioner of the BSEC, said the regulator is working to launch performance-based fees on mutual fund management instead of a common percentage.

"Those whose performance is better and who ensure higher return deserve higher fees over the low performing managers," he added.

"About half of Bangladesh's population are women so our sustainable development needs their contribution too," said Moniza Choudhury, managing director of CWT Asset Management Company.

"For sustainable financing, women entrepreneurs need funds from us," she added.

Arfan Ali, president and managing director of Bank Asia; Arunangshu Dutta, CEO and managing director of ACACIA SRIM; Azad Chowdhury, managing partner of AIM STEPs; and Kh Asadul Islam, managing director of Alliance Capital Asset Management, also spoke at the event.

China digs in on coal, oil gains as energy crisis deepens

REUTERS

China ordered miners in Inner Mongolia to ramp up coal production and oil prices jumped on Friday as a record surge in the cost of gas revived demand for the most polluting fossil fuels to keep factories open and homes heated.

The rebound in economic activity from coronavirus restrictions has exposed alarmingly low supplies of natural gas leaving traders, industry executives and governments scrambling as the northern hemisphere heads into winter.

The energy crisis which has led to fuel shortages and blackouts in some countries, has highlighted the difficulty in cutting the global economy's dependency on fossil fuels as world leaders seek to revive efforts to tackle climate change at talks next month in Glasgow.

In China, where coal production had been curtailed to meet climate goals, officials have ordered more than 70 coal mines in Inner Mongolia to ramp up production by nearly 100 million tonnes or 10 per cent, as the world's largest exporter battles its worst power shortages in years.

Russia's Gazprom, a key supplier of gas to China, calmed fears that a fire at a major gas processing plant could worsen the situation, saying it was able to continue exporting gas to China as normal.

India, the second largest coal consumer after China, is also suffering electricity outages because of a lack of coal with over half of its coal-fired power plants having less than three days worth of fuel stocks, data from the federal grid operator showed.

REUTERS/FILE

A coal-burning power plant can be seen behind a factory in the city of Baotou, in China's Inner Mongolia Autonomous Region.

Oil prices rose on Friday, on track for gains of nearly 5 per cent this week, as industries switch fuel.

"A lot of catalysts are out there to keep the oil market tight," said Edward Moya, a senior market analyst at brokerage OANDA.

Reflecting the gravity of the situation, the United States has not ruled out tapping into its strategic petroleum reserves, which it typically only does after major supply disruptions such as hurricanes, or pursuing a ban on oil exports to bring down the cost of crude oil, though there are doubts it is ready to take such action yet.

"DOE is actively monitoring global energy market supply and will work with our agency partners to determine if and when actions are needed," a spokesperson for the Department of Energy said.

Law reforms needed for quick settlement

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Vidiya Amrit Khan, a director of the BGMEA, called for carrying out research beyond garment industries as they also needed to be compliant.

Syed Sultan Uddin Ahmmed, a specialist for worker activities at the ILO office in New Delhi, said in most cases, the labour disputes in the industrial sector were settled verbally although the laws were there.

At the event, the findings of a study on the "State of the UNGPs in the RMG sector of Bangladesh" were shared.

The study was conducted in 600 garment factories in Dhaka, Narayanganj, Gazipur and Chattogram to know the level of awareness about the UNGPs on business and human rights. Some 606 workers from 200 factories were covered in the study.

According to the study paper, the garment sector is way behind in institutionalising UNGPs.

The concept of UNGPs is not fully clear to the garment manufacturers, although they understand human and labour rights. Despite diverge levels of human and labour rights practices at the factory level, those marginally adhere to the UNGPs.

"Overall, the practice of UNGPs in the RMG sector is still at the early stage," it said.

The report said the process of institutionalisation of UNGPs had yet to be started in the garment industry. A binding treaty in case of enforcement of UNGPs would facilitate the process. The first step will be to strengthen the UNGP reporting system of factories.

While presenting the key findings, Khondaker Golam Moazzem, research director of the CPD, said about 74 per cent workers recalled they had seen posters inside or outside the factory that contained messages on human rights.

Ninety-one per cent of workers said the poster contained messages related to child labour. Statements related to workplace and sexual harassment, living wage and maternity benefit were seen by more than 50 per cent of workers.

The least addressed public disclosure issues are layoff and retrenchments and collective bargaining.

About 8.7 per cent of workers saw messages related to layoff and retrenchment and 16 per cent on collective bargain, Moazzem said.

"Such a guideline will be highly beneficial for garment factories to understand the issues, take measures and improve practices."

Fahmida Khatun, executive director of the CPD, said although the garment sector had shown impressive growth in the post-Rana Plaza period, there were a number of social compliance issues that required attention.

Mustafizur Rahman, a distinguished fellow of the CPD, moderated the discussion. Pankaj Kumar, country director of the Christian Aid, also spoke.

Import bills surpass pre-pandemic levels

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foreign exchange reserves might decrease to some extent in the coming months if export earnings and remittance flow don't go up proportionately.

The central bank has started injecting US dollars into the market to cool off the foreign exchange regime.

After purchasing a record $7.93 billion of US dollars last fiscal year, the Bangladesh Bank sold $946 million between August and September as many banks are facing a shortage of greenback amid rising imports, moderate exports and slowing remittance flow.

Syed Mahbubur Rahman, managing director of Mutual Trust Bank, said a majority of countries had contained the pandemic, helping their economies rebound.

"Bangladesh has also contained the pandemic. So, the rise in imports will continue."

BB data showed the opening of LCs rose 48.6 per cent to $12.13 billion in July and August, meaning import payments would increase further.

Recovering funds should be top priority

FROM PAGE B4

The commission, despite being empowered to penalise and imprison such fraudsters, has allowed evaly's monstrous rise instead. The competition watchdog's unforgiving failure to intervene has dared evaly to grow and prompted others to follow suit.

Authorities now scramble to cover up their spectacular failure to act and protect the deceived customers of the e-commerce syndicate. A populist idea of raising an e-commerce-specific regulator is also gaining momentum. It will merely add another point of failure in the already disoriented club of regulators.

The government should identify where, when and why the incumbent regulatory gatekeepers have collectively failed to contain the fraudsters' lust. But recovering and refunding the customers' money should be the government's topmost priority.

The author is senior policy fellow at LIRNEasia.

State banks themselves are problem-ridden

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The bank's operating losses stood at Tk 120 crore in the first half of 2021, resulting from the Covid-19 induced economic slowdown.

The capital shortfall would amount to Tk 2,100 crore as of June this year, the central bank's letter said.

Finance Minister AHM Mustafa Kamal on September 29 said the government might allow Padma Bank to merge with a state bank.

"Of course we may do it," Kamal said while responding to queries from reporters on the day.

Cassava farming on fallow lands: low risks but high returns

FROM PAGE B4

When cultivating other crops, farmers have to source the capital along with bearing the risk of being unable to market and sell their produce.

But when it comes to cassava, Pran-RFL Group, one of Bangladesh's largest agribusiness, provides farmers with the funds to cultivate the crop, which is then bought back by the company.

So, with little personal investment, a farmer can earn about Tk 20,000 from roughly 2,500 kgs of the vegetable, said Abdus Samad, another cassava farmer in the region.

Abdul Khaleq, a cassava farmer based in Sylhet's Habiganj district, said cassava was a hardy plant that could cope with most extreme weather conditions, making it a low risk investment.

Around 190 maunds to 250 maunds (one maund equals around 37 kgs) of cassava can be produced on one acre of land, he added.

Md Abdul Momin, an agriculture officer of Kulaura upazila, said they advise local farmers on cultivating cassava on fallow land since it saves money and does not require preparing the land for cultivation.

Lutful Bari, deputy director of the DAE office in Moulvibazar, said the profitable crop's cultivation has seen a gradual increase throughout the district.

Kamruzzaman Kamal, marketing director of Pran-RFL Group, told The Daily Star that the company was the first to introduce contract farming for cassava in 2014.

Pran also conducts training programmes and provides financial assistance and farming elements such as seeds and fertilisers at low cost.

Farmers usually have to spend between Tk 25,000 to Tk 30,000 per acre to cultivate cassava. Pran helps deal with a large chunk of this production cost by providing seeds, a form of advance payment for the harvests, he said.

The cassava plant can play a vital role in developing the country's agricultural sector. At its processing plant in Habiganj Industrial Park in Shaistaganj upazila, Pran processes about 60,000 tonnes of the crop each year.

Pran turns the root into starch, which is mainly used as a raw material for baked goods. However, the material is now also being widely used in the garment and pharmaceutical industries.

Pran aims to procure 30,000 tonnes of cassava from 5,000 acres of land around the country this year.

Last year, the company collected more than 19,000 tonnes from 4,750 acres of land, Kamal said.

The company plans to start collecting cassava from mid-October and harvesting will continue till March 2022, he added.

Pran cultivated cassava, either directly or through contracts, in the Rangamati, Khagrachhari, Habiganj, Moulvibazar, Tangail, Mymensingh, Jamalpur and Cumilla districts this year.

Dilip Kumar Adhikari, additional director of the DAE office in Sylhet, said cassava was a staple food in many African countries.

Cassava is a popular food in tropical regions such as Africa, where it is the third major source of sugar.

"Pran uses cassava to make their various foods and chips and for starch," he added.

Bid to regain customer trust

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"We want to change all the misconceptions with this campaign," he added.

The other participating companies are: Chaldal, Pickaboo, Pathao Food, Rokomari, Sheba, Ekshop, Aadi, and Star Tech.

According to the organisers, these are reputable e-commerce companies who have been in service for several years without controversy will take part in the campaign.

Mobile Finance service provider bKash will join the festival as payment partner while Delivery Tiger will act as a logistic partner.

The platforms are giving different gifts and discounts offers for customers as well as free delivery all over the country. For example, customers will get 10 per cent instant cashback of up to Tk 1,000 for payments through bKash.

The image of the e-commerce sector has recently been tarnished by some platforms such as Evaly, E-orange, and Dhamaka. With the promise of providing hefty discounts for advance payments, such platforms are now unable to provide either the products or refunds to thousands of customers.

One of our common objectives for this campaign is to boost e-commerce sales through faster delivery and committed service, said Morin Talukder, chief executive officer of Pickaboo.

"We will continue to work together to build customers' trust in e-commerce. We want to establish that e-commerce is not a discount store, rather it's a convenience store," he Talukder.

Pathao is proud to partner with the 10-10 campaign, according to Fahim Ahmed, president of Pathao.

"Credible digital platforms coming together in this campaign can help instil consumer trust and confidence in e-commerce, and build a vibrant local tech ecosystem," he said.

NBR observing developments

FROM PAGE B1

Financial Transparency Coalition said developing countries would be the main losers of the OECD minimum global tax deal, risking undermining Covid-19 vaccination and recovery effort.

It will benefit developed countries, particularly the US, a key player behind this agreement, it added.

Towfiqul Islam Khan, senior research fellow of the Centre for Policy Dialogue, said the deal was likely to raise tax rates in low tax jurisdictions, which was welcome.

"However, not all industries are included under the deal. The deal will mainly benefit the large OECD economies," he said.

"It is likely that the generated revenue will mainly be distributed to the headquarter countries and countries in global south may not be adequately benefitted," he added.

The deal overlooks concerns highlighted by G-24 countries including India, Pakistan and Sri Lanka regarding reallocation of profits.

The over-representation of low tax jurisdictions in the OECD process is indicative of the deeply unambitious threshold of 15 per cent to tackle tax abuse, said Khan.

"If this deal could be negotiated under the United Nations, a better outcome for developing countries may have been possible. It is critical that global tax matters are negotiated under a UN system where all countries can have an equal say," he said.