

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.71%	▲ 0.87%	\$1,802.71	\$83.61	▼ 1.89%	▼ 0.96%	▼ 0.45%	▼ 1.23%	BUY TK 84.75	97.18	115.66	13.02
7,062.35	12,392.46	(per ounce)	(per barrel)	59,984.70	28,820.09	3,203.82	3,518.42	SELL TK 85.75	100.98	119.46	13.69

ENJOY 30% DISCOUNT
on Foodpanda with Prime Bank cards during Bangladesh's matches
Details: primebank.com.bd/120-wc

Star BUSINESS

DHAKA FRIDAY OCTOBER 29, 2021, KARTIK 13, 1428 BS starbusiness@thedaily.com

COMPUTER SERVICES: KEY POINTS

- Work from home pushes demand
- Rise of e-commerce and fintech helps bag more orders
- Over 225 firms export software to about 80 countries
- BASIS says IT service export was over \$1b in FY21
- Products include IT services and software
- Earnings from freelancing soared 60pc in FY21
- Demand for data processing, hosting and consultancy rises



EXPORT TRENDS	FY17	FY18	FY19	FY20	FY21
	\$194m	\$182m	\$225m	\$276m	\$303m

SOURCE: EPB

Computer services export crosses \$300m

BASIS says actual amount is much higher

MAHMUDUL HASAN

Computer services export from Bangladesh has crossed the \$300-million mark as the coronavirus pandemic turbocharged the global demand for data processing, hosting and consultancy services.

Local IT companies and freelancers have bagged an increased number of orders from clients across the globe since the crisis struck as customers had to rely more on digital tools to adapt to work-from-home

practices.

The industry fetched \$303.76 million in fiscal 2020-21, up 10 per cent year-on-year, showed data from the Export Promotion Bureau (EPB).

The higher earnings were driven by computer services such as data processing, hosting, consultancy, installation, and maintenance.

The receipts from the sales of IT-enabled services such as data processing and hosting increased around 27 per cent to \$217 million.

Computer consultancy services raked in \$24.07 million, up from \$20.31 million a year ago. And it has continued to maintain the uptick.

In July, the earnings from computer services export grew three times to \$78 million from \$23 million a year ago.

"At the beginning of the pandemic, computer and IT services export plunged," said Syed Almas Kabir, president of the Bangladesh Association of Software and Information Services (BASIS).

"But when the economies around the world started to reopen after a few months, foreign companies began to outsource, and our freelancers were taking a huge number of orders."

Companies in Bangladesh have now started to get high-value tasks such as graphics, the internet of things and artificial intelligence, and the hourly rate for the works is higher.

"This can also be attributed to the increase of computer services export," said Kabir. The entrepreneur put the annual export earnings from computer services at more than \$1 billion, which is far higher than the EPB figures.

"This is because the government figures don't include the earnings of freelancers properly, and many service providers bring

export proceeds through non-banking channels."

For the growing export orders, many IT firms have hired new employees, and many youths have found jobs in the sector.

Computer software export suffered a blow as it dropped 30 per cent year-on-year to \$47.44 million in 2020-21. The earnings stood at \$73 million in 2019-20.

Kabir blamed the closure of offices in Europe owing to the lockdowns for the decline in software exports.

"Many work orders were cancelled and suspended. Payments were not cleared, so many local companies were hit," he said.

Thanks to the recovery in global demand for e-commerce platforms and fintech, some software exporters were flooded with orders in the second half of the last fiscal year.

More than 225 companies from Bangladesh export software to over 80 countries, according to Rashad Kabir, managing director of Dream71 Bangladesh Ltd.

READ MORE ON B3

Hamid Fabrics share surges 67pc despite losses

Price spike abnormal, say experts

AHSAN HABIB

Shares of Hamid Fabrics surged 67 per cent on the Dhaka Stock Exchange (DSE) yesterday even after reporting huge losses earlier on the day.

What is more, the fabrics-maker recommended lower cash dividends for general shareholders for the financial year of 2020-21.

Still, though, Hamid Fabrics saw its share value shoot up to Tk 30.60 yesterday from Tk 18.30 the day before, according to data from the DSE.

"The company's stock price surge was completely abnormal, but such abnormalities have been witnessed in the case of many other stocks as well," said Al-Amin, an associate professor of accounting and information systems at the University of Dhaka.

For example, the stocks of Fortune Shoes, Delta Life Insurance, NRB Commercial Bank, and Sonali Paper were clearly manipulated, but the Bangladesh Securities and Exchange (BSEC) is yet to take any action against those responsible for unknown reasons.

But since the market regulator has formed an investigation committee for these matters, some manipulators have become desperate, he said.

"The regulator should maintain good governance for all," Al-Amin added.

For Hamid Fabrics to witness such a single-day increase in value seems odd as the company delivered a lot of bad news about its performance earlier the same day, said a senior official of a brokerage house, preferring anonymity.

Hamid Fabrics reported that it incurred losses of Tk 16 crore in 2020-21 after logging profits of just Tk 3.8 crore the previous year.

The company's revenue has significantly decreased in the last fiscal year mainly due to the economic impacts of Covid-19, it said in a regulatory filing.

The reduced profitability has severely affected the company's earnings per share. As such, the net operating cash flow has been affected due to lower revenue amid the pandemic.

READ MORE ON B3

BANGABANDHU INDUSTRIAL AWARD

23 firms honoured

STAR BUSINESS REPORT

The government yesterday honoured 23 small, medium and large companies with the inaugural Bangabandhu Sheikh Mujib Industrial Award for their contribution to the industrialisation of the country and creating jobs.

Industries Minister Nurul Majid Mahmud Humayun handed over the award to the winners at an event at the Osmani Memorial Auditorium in Dhaka.

The award was given to firms in seven categories that include large, medium and hi-tech factories in line with a policy framed by the industries ministry in 2019 in order to accelerate the pace of industrialisation and the growth of the economy.

The industries ministry recognised four companies – Square Pharmaceuticals, Jaj Bhuiyan Textile Mills, Adury Apparels, and Universal Jeans, Chattogram – under the large industry category.

Auko Tex Ltd, Fortune Shoes, Rahimafrooz Renewable Energy, and Madhobdi Dyeing Finishing Mills were honoured under the medium industry category.

In the small industry category, Aman Plastic Industries, SR Handicrafts in Pabna, and Alim Industries in Sylhet were honoured.

READ MORE ON B3



Industries Minister Nurul Majid Mahmud Humayun and State Minister Kamal Ahmed Majumder pose with recipients of the first "Bangabandhu Sheikh Mujib Industrial Award 2020" at Osmani Memorial Auditorium in the capital yesterday.

PHOTO: PID

BB relaxes stimulus rules for low-income groups

STAR BUSINESS REPORT

Bangladesh Bank yesterday relaxed rules over its Tk 3,000 crore stimulus package dedicated for low-income professionals, marginal farmers and micro-enterprises.

The latest initiative will encourage banks to disburse loans from the fund in a way such that the groups will subsequently be able to avail the finance efficiently, said a central bank official.

The stimulus fund is now being given out through banks via microfinance institutions (MFIs) in order to salvage the pandemic-hit clients.

As per the new rules, banks will avail the fund

READ MORE ON B3

Samsung unveils Neo QLED 8K TV

STAR BUSINESS REPORT

South Korean electronics brand Samsung has launched its top-of-the-line Neo QLED 8K TV in Bangladesh as it looks to redefine the television experience for the audience.

Available Neo QLED 8K models are in 75-inch and 85-inch, and QLED 4K models start from 55-inch to 85-inch.

The 75-inch QLED 8K model is priced at Tk 8.99 lakh and the 85-inch model Tk 13.99 lakh.

The new generation TVs were unveiled at an event at the Westin Dhaka yesterday.

The event was attended by, among others, Hwansung Woo, country manager of Samsung Bangladesh, Ruhul Alam Al Mahub, chairman of Fair Electronics, Arshad

READ MORE ON B3

Stocks rise though blue-chip index slides

STAR BUSINESS REPORT

The Bangladesh stock market rose for a third consecutive day yesterday despite a drop of the blue-chip index.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), rose 51 points, or 0.78 per cent, to 7,063. However, DS-30, the blue-chip index, fell 5 points to 2,638.

The overall market continued to remain in the green thanks to a positive hype prevailing among general investors, according to market analysts.

Investors rearranged their portfolios based on listed companies' recently disclosed financial performances, he said. Reckitt Benckiser (Bangladesh) Ltd stocks rose riding on its declaration of higher profits. The multinational company logged Tk 20 crore in profits in the July-September period of the current year, up from Tk 16 crore in the same period the previous year.

The company has informed of its board deciding to upgrade a waste water treatment plant at a factory located in Chattogram in compliance with environmental regulations.

In this regard, the board approved a capital expenditure budget of Tk 15.88 crore for an effluent treatment plant (ETP) upgradation project, which will be completed by the end of 2022.

Meanwhile, profits of Walton Hi-tech Industries Ltd fell to Tk 281 crore whereas it was Tk 405 crore in the previous

year's corresponding period.

The local electric and electronics product manufacturer informed that Bangladesh Hi-Tech Park Authority had declared Walton Hi-Tech Industries Limited to be a private hi-tech park.

READ MORE ON B3

EPS OF MAJOR LISTED COMPANIES

	JUL-SEP 2020	JUL-SEP 2021		JUL-SEP 2020	JUL-SEP 2021
Reckitt Benckiser	33.93	43.17	Jamuna Bank	1.11	1.23
Pubali Bank	1.50	2.72	MTB	0.19	0.12
Brac Bank	1.07	1.02	EBL	1.45	1.65
AB Bank	0.11	0.13	IDLC	2.39	1.41
Peoples Insurance	0.87	0.89	Walton	13.38	9.28

READ MORE ON B3

Remove obstacles to connectivity

Experts say

STAR BUSINESS REPORT

Bangladesh must address all impediments in connecting with other economic regions to successfully join the global supply chain and manufacturing network, according to various experts.

They were speaking at a virtual programme, styled "Showcase Bangladesh 2021: Bangladesh-Japan Investment Summit".

The event was jointly organised by Standard Chartered and the Bangladesh Investment Development Authority (BIDA) yesterday.

Addressing the event, Yuji Ando, country representative of the Japan External Trade Organization (JETRO),

READ MORE ON B3

EDUCATION INSURANCE

Ensure your child's higher education

MD ABU TALHA SARKER

Every parent wants their children to grow up with proper education in a safe and stress-free environment.

From lower to middle-classes and fixed-income people, all could manage to fund the expense of the education of their children at school and college levels. But they need a huge amount of money when a child goes on to study at the tertiary level.

And this is the time when many parents find it difficult to come up with the required finances unless they plan for it and save regularly much before the time comes.

But the critical question is: Even if they save regularly, can they live long enough to complete the savings plan?

In order to solve the problem, insurance companies in Bangladesh have come up with an education protection plan for the parents.

Education protection plan refers to a scheme that allows people to safeguard a child's education so that their future does not face any adversity because of financial hardship.

READ MORE ON B2

