

TRADING SUSPENDED
FOR BROKERAGE
FIRMS SINCE 2010

Tamha
Securities

Banco
Securities

Crest
Securities

Dawn
Securities

Shah Mohammad
Sagir & Co

Reasons for the anomaly

- Lack of strict monitoring
- Weak corporate governance
- Low paid-up capital
- Lenient punishment

Suggestion from analysts

- Strong legal action
- Strengthening monitoring
- Effective internal auditing
- Ensuring corporate governance

ALLEGATION OF EMBEZZLEMENT: TK 212CR

Investors pay the price for brokerage houses' forgery

AHSAN HABIB

Amran Hossain, a private service-holder, invested around Tk 8 lakh in the stock market through Dawn Securities in 2009.

On a morning in 2010, he suddenly came to know that the brokerage firm's trading was halted for fraudulence. He rushed to the office of the company only to find that his shares were sold without his consent and the money was siphoned off.

Rahman turned to the Dhaka Stock Exchange (DSE) and the Central Depository Bangladesh Limited to get back his hard-earned money.

After much effort, the DSE refunded him Tk 2 lakh in 2021. But he was frustrated at the handling of the matter by the stock market and its regulators.

Hossain is not alone. Many investors lost money in the last 12 years from the closure of at least five brokerage houses for selling off investors' shares and not carrying out buy orders despite accepting funds. Embezzlement of funds has intensified in recent years.

Three brokerage houses – Banco Securities, Crest Securities and Tamha Securities – were shut in the last two years for allegedly embezzling around Tk 200 crore of general investors.

The financial crime took place because of the absence of a lack of strict monitoring on the part of the DSE and the Bangladesh Securities and Exchange Commission (BSEC) as well as low paid-up capital and a lack of corporate governance at the firms, market participants and analysts say.

WEAK SYSTEM

Brokerage licences were given to many people who do not have enough fundamental knowledge and financial strength, said KAM Majedur Rahman, a former managing director of the DSE.

In Bangladesh, the number of brokerage houses is higher than required compared to the market size, so fraudulence is common.

The number of trading right entitlement certificate (TREC) holders or brokerage houses of the DSE is now 283, according to the premier bourse.

"Investors rush to them seeing the licence that was given from the regulator," said Rahman.

MANY BROKERAGE HOUSES NON-COMPLIANT

The BSEC had earlier issued directives that brokerage houses must have Tk 15 crore in paid-up capital. However, not all firms have that amount of paid-up capital.

Many stock brokers don't follow the guideline, said a

top official of a stock broker, preferring anonymity. The DSE and the BSEC don't monitor them properly as well.

Many brokers kept deficit in their consolidated customers' account, where investors' funds are stored, but they are not handed out exemplary punishment for breaches of laws.

"In most cases, owners of brokerage firms were involved in

The issue came to the fore after the DSE halted the trading of Tamha Securities in December after receiving allegations of embezzling investors' money. The BSEC has unearthed a deficit of Tk 87 crore in the consolidated customers account.

In the middle of 2021, trading activities of Banco Securities were suspended following an

of licences and growing irregularities, new licences are still being given. At least 33 licences were given in the last one year and many applications are in pipeline.

"Exemplary punishment should have been handed out to the dishonest people," said Faruq Ahmad Siddiqi, a former chairman of the BSEC.

"Brokerage houses should ensure corporate governance as they deal with peoples' funds." Richard D' Rozario, president of the DSE Brokers Association of Bangladesh, says the BSEC is now prompt at punishing culprits and recovering money, which is a positive thing.

"Whenever any anomalies surface, the DSE should take it seriously."

He, however, says brokerage houses are private limited companies, so their ownership and management can't be demutualised.

"Only if they get listed, the separation can be expected."

About the mandatory paid-up capital, Rozario said, the BSEC has extended the time to June to keep the minimum paid-up capital of Tk 15 crore for a full-fledged brokerage firm.

Except some old and small brokerage firms, many companies have the ability to maintain the paid-up capital, he said.



the fund embezzlement, so the ownership and management should be separated," said Mohammed Rahmat Pasha, chief executive officer of UCB Stock Brokerage.

Stock brokerage owners can withdraw funds deposited by an investor, so the BSEC can analyse how the process can be changed, he said.

"If owners have signatory power, such anomalies can take place."

ANOMALIES: PRESENT AND PAST

allegation of siphoning off Tk 66 crore.

The DSE suspended the trading of Crest Securities in 2020 for embezzling Tk 48 crore.

In 2005 and 2006, the DSE suspended trading of five brokers for similar irregularities and sold their licences to others to refund investors. The brokers were Capital Roops, JR Capital Company, MR Company, T Mushfu & Company, and SPM Ltd.

Despite the cancellation

READ MORE ON B3

INTERBANK EXCHANGE RATE

Taka hits 86 against dollar for first time

AKM ZAMIR UDDIN

Bangladesh Bank yesterday devalued the taka against the US dollar to a large extent in order to tackle pressure stemming from an increase in import payments and give encouragement to remitters.

The interbank exchange rate hit Tk 86 per dollar yesterday for the first time, up from \$85.80 on Thursday, showed data from the central bank.

This has been a major depreciation of the local currency in recent years, said a Bangladesh Bank official.

The central bank usually depreciates the local currency between Tk 0.05 and Tk 0.10 per dollar for a particular working day.

The inter-bank exchange rate stood at Tk 84.80 on January 10 last year.

The local currency is trading at more than Tk 90 per USD in the kerb market.

Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, said that this was the right decision towards adjusting the imbalance faced by the foreign exchange market.

He went on to urge the central bank to depreciate the local currency to at least Tk 88 per dollar.

"I hope this is the first step in the BB's efforts to depreciate the local currency, and the central bank will do it step by step to keep the market stable."

A central bank official said the exchange rate was supposed to be determined by the market. But the BB intervenes in the foreign exchange market from time to time in the interest of the economy.

The local currency has been facing pressure in recent months in the wake of escalating imports and falling remittance inflow.

Against the backdrop, the central bank injected dollars into the market on a regular basis in order to contain the depreciation of the taka.

READ MORE ON B3

STOCKS		
	DSEX ▼	CSCX ▼
	0.78% 6,932.61	0.91% 12,198.24

COMMODITIES			AS OF FRIDAY
	Gold ▲	Oil ▼	
	\$1,796.41 (per ounce)	\$78.85 (per barrel)	

CURRENCIES					STANDARD CHARTERED BANK
	₹ USD	€ EUR	£ GBP	¥ CNY	
BUY TK	85.05	95.58	114.73	13.10	
SELL TK	86.05	99.38	118.53	13.77	

ASIAN MARKETS					FINANCIAL CHARTS
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
	▲ 0.24% 59,744.65	▼ 0.03% 28,478.56	▲ 0.66% 3,205.26	▼ 0.18% 3,579.54	

Young people turning to tourism business

Making investment, creating jobs

SUKANTA HALDER and MD ABU TALHA SARKER

Young people in Bangladesh are increasingly joining the country's largely untapped tourism sector on completion of the tertiary-level education instead of running after government and private jobs.

They are finding out new spots and making them popular to serve the growing number of people with disposable incomes.

Many have built resorts, restaurants and pleasure boats in various parts of the country by making investment, thus creating jobs for others.

One of them is Imranul Alam.

He started touring with friends in 2009 when he was still studying at the undergraduate level in Dhaka.

Alam set up a tour operating business, albeit on Facebook, five years later along with three friends after completing his master's in Japanese Studies from the University of Dhaka. They virtually had no money.

"Experience was our only capital along with mental strength," recalled the 33-year-old.

In 2016, they gave the business a formal shape after gaining experience and named it Tour Group Bangladesh.

Now, the business is worth around Tk 4-5 crore and about 100 people are employed.

The group has resorts and restaurants, built on the leased land in the Sundarbans, St Martin's Island, Sajek in Rangamati, Cox's Bazar, Bandarban, Sreemangal, and Tanguar haor in Sunamganj.

READ MORE ON B3



Visitors enjoy their time at Shimul Bagan, which sits on over 100 bighas of land by the Jadukata river in Sunamganj's Taherpur upazila.

PHOTO: COLLECTED

Walton set to enter North America

Will make first shipment in mid-2022

STAR BUSINESS REPORT

Walton Hi-Tech Industries Ltd, a giant in the local consumer electronics sector, is all set to enter the North American market through a shipment of home appliances sometime in the middle of 2022.

The company signed a partnership agreement with Danby Appliances, a compact appliance brand in North America, in order to expand the market for Walton brand products in the US and Canada.

The deal was signed on January 7, Walton said in a press release.

"We will supply refrigerators, air conditioners, washing machines, televisions, and small appliances to the North American market," said Abdur Rouf, vice president of the global business division at Walton.

READ MORE ON B3

Singer launches new year carnival offers

STAR BUSINESS DESK

Singer Bangladesh Ltd has launched a 'New Year Carnival' campaign under which it is offering up to 100 per cent discount on refrigerators, televisions, washing machines, air conditioners, computers, and microwave ovens.

The customers can avail up to Tk 15,000 discount under exchange offers on refrigerators, up to Tk 6,000 on TVs, up to Tk 3,000 on washing machines, up to Tk 1,500 on sewing machines, and up to Tk 2,000 on microwave ovens, says a press release.

The buyers of the electronic products will get a kitchen appliances discount coupon against every purchase.

They will get a five per cent flat discount for a bundle offer under the new campaign for which they have to purchase at least three selected products together from these products. Singer gives installments facility for up to 12 months.

Coppertech signs deal with Mohammadi Electric Wires

STAR BUSINESS REPORT

Coppertech Industries Ltd (CIL) has signed a contract to supply copper wire worth Tk 52 crore annually to Mohammadi Electric Wires & Multi Products Ltd.

The copper products manufacturer will supply 40 tonnes of copper wire each month to Mohammadi Electric Wires, said SK Miraj Ali, company secretary of CIL.

Earlier, the company disclosed the agreement in this regard through a post on the Dhaka Stock Exchange website.

Coppertech closed marginally lower at Tk 39.4 per share yesterday.



NASA Administrator Charlie Bolden (C) speaks with former astronaut Steve Lindsey (L), who is the director of flight operation of Sierra Nevada Corporation's Space Systems Dream Chaser, and deputy director of NASA's Dryden Flight Research Center Patrick Stoliker at his side after unavailing of Sierra Nevada Corporation's Space Systems Dream Chaser prototype space-access vehicle at NASA's Dryden Flight Research Center in Edwards, California.

PHOTO: AFP

Space business: The final (profitable) frontier

AFP, Las Vegas

The snub-nosed craft resembles a shuttle-airplane mashup, and is the latest entrant in a profit-seeking push with staggering potential -- and risks -- for humans to visit, work or even live in space.

The display of technology like the life-size model "Dream Chaser" ship at the CES tech show in Las Vegas is a sharp signal that the commercial space era is upon us.

Experts see a path for companies to power an unprecedented era of rapid advances, but with the near certain peril that space disasters will occur and lives will be lost.

Sierra Space, a subsidiary of private aerospace contractor Sierra Nevada Corp., plans to have the 30-foot (nine-meter) "Dream Chaser" flying missions this year, making the reusable spacecraft key to its off-Earth ambitions.

"Before governments were the only ones that could do it. Now, it's getting down to regular human beings who can get a ride to space," Neeraj Gupta, the company's general manager of space destinations, told AFP.

The craft is meant to carry people and equipment to and from commercial space installations the company envisions building in the next decade, including a system of inflatable structures to house humans in orbit.

Sierra has a deal with NASA for unmanned flights to the International Space Station that are to start this year, and is working with Jeff Bezos' Blue Origin to develop a commercial outpost off-Earth.

"We really see a market opening to take more and more people to space," Gupta added. Commercial space efforts have been growing rapidly and captured lots of attention, especially launches of Elon Musk's SpaceX rockets that have been carrying astronauts for NASA.

Bezos's own spaceflight last year alternately fascinated fans and outraged critics of the so-called "billionaire space race". Yet companies like Sierra are proposing something in addition to tourism -- a commercial hub in space that could be used to make products, and a ship that can provide transportation.

A video of their "space plane" shows the

unmanned version of the craft cruising back to Earth and landing on a runway like any other commercial aircraft.

Companies have proposed a series of ideas which until recently sounded like long shots, such as asteroid mining -- but they have also suggested less far-fetched biomedical applications or production of some types of technology.

Mason Peck, an astronautics professor at Cornell University, said that until the last five years making things in space and bringing them back to Earth just didn't make sense.

"Now there are companies... who are actually focused on this question: How can I make a buck in space?" he told AFP.

"This has never been the way that people articulate the benefits of space. It's always been something a little bit broader, like the benefit to mankind or humanity or the sake of science," he added.

But the power of profit has the potential to vastly accelerate efficiency, technological advances and capacity in ways that is not in the slow and purposely deliberate approach of NASA or the European Space Agency.

Self-driving race cars zip into history at CES

AFP, Las Vegas

A racecar with nobody at the wheel snaked around another to snatch the lead on an oval track at the Consumer Electronics Show in Las Vegas Friday in an unprecedented high-speed match between self-driving vehicles.

Members of Italian-American team PoliMOVE cheered as their Formula 1 racecar, nicknamed "Minerva," repeatedly passed a rival entered by South Korean team Kaist.

Minerva was doing nearly 115 miles per hour (185 kilometers per hour) when it blew past the Kaist car, easily beating the top speed hoped for by race organizers.

But every racer was deemed a winner by organizers who saw the real victory as the fact that self-driving algorithms could handle the high-speed competition.

"It's a success," Indy Autonomous Challenge (IAC) co-organizer Paul Mitchell said to AFP before the checkered flag was waved.

The race pitted teams of students from around the world against one another to rev up the capabilities of self-driving cars, improving the technology for use anywhere.

In October, the IAC put the brakes on self-driving F1 cars racing together to allow more time to ready technology for the challenge, opting instead to let them do laps individually to see which had the best time.

"This almost holds the world record for speed of an autonomous car," PoliMOVE engineer Davide Rigamonti boasted as he gazed lovingly at the white-and-black beauty.

The single seat usually reserved for a driver was during this race instead packed with electronics.

PoliMOVE had a shot at victory at another race in October in Indianapolis, clocking some 155 miles per hour (250 kilometers per hour) before skidding out on a curve, according to Rigamonti.

Friday, it was the South Korean entry that spun out after overtaking a car fielded by a team from the University of Auburn in the southern US state of Alabama.

"The students who program these cars are not mechanics; most of them knew nothing about racing," said IndyCar specialist Lee Anne Patterson. "We taught them about racing."

The students program the software that pilots the car by quickly analyzing data from sophisticated sensors.

The software piloting the cars has to anticipate how other vehicles on the course will behave, then maneuver accordingly, according to Markus Lienkamp, a professor at Munich, TUM, which won the October competition.

Nearby, Lienkamp's students are glued to screens.

"It plays out in milliseconds," said Mitchell.

"The computer has to make the same decisions as a human driver, despite the speed."

The IAC plans to organize other races on the model of Friday's -- pitting two cars against each other, with the hope of reaching a level sufficient to one day launch all the vehicles together.



Safiul Alam Khan Chowdhury, managing director of Pubali Bank Ltd, receives a certificate of appreciation from Md Tazul Islam, minister for local government, rural development and co-operatives, for its contribution and cooperation in collecting service delivery fees of Dhaka Wasa from the latter's customers for the period of 2020-21 at a city hotel recently. Muhammad Ibrahim, additional secretary to the local government division, Prof Shibli Rubayat-Ul-Islam, chairman of the Bangladesh Securities and Exchange Commission, and Taqsem A Khan, managing director of Dhaka Wasa, were present.

PHOTO: PUBALI BANK



Abdul Kadir Molla, chairman of South Bangla Agriculture and Commerce (SBAC) Bank Ltd, inaugurates the bank's Annual Business Development Conference 2022 at Le Meridien Dhaka on Saturday. Mosleh Uddin Ahmed, managing director of the bank, Mizanur Rahman, vice-chairman, Mohammed Ayub, Md Moklesur Rahman, Mohammad Nawaz, Muhammad Helal Uddin and Anwar Hussain, directors, Mohammad Moqbul Hossain Bhuiyan, independent director, Md Abdur Razzak, chairman of the Shariah supervisory council committee, M Shamsul Arefin, additional managing director, and Md Altaf Hossain Bhuyan, deputy managing director, also attended the conference.

PHOTO: SBAC BANK

Amazon files new legal challenges in dispute with Future Group

REUTERS, New Delhi

Amazon.com Inc has filed fresh legal challenges in its long-running dispute with Indian retailer Future Group after the national antitrust agency suspended a 2019 deal between the two sides, leading to a halt in their arbitration, four sources told Reuters on Sunday.

The Competition Commission of India (CCI) last month suspended its approval of Amazon's 2019 deal with Future, denting the US e-commerce giant's attempts to block the sale of Future's retail assets to Indian market leader Reliance Industries.

The suspension jolted Amazon as subsequently a New Delhi court halted the arbitration proceedings between the two sides.

Europe nuclear plants need 500b euro investment by 2050

AFP, Paris

The European Union will need to invest 500 billion euros (\$568 billion) in new generation nuclear power stations from now until 2050, the bloc's internal market commissioner said in an interview published at the weekend.

"Existing nuclear plants alone will need 50 billion euros of investment from now until 2030. And new generation ones will need 500 billion!" Thierry Breton told the Journal du Dimanche newspaper. Breton also argued that an EU plan to label energy from nuclear power and natural gas as "green" sources for investment was a vital step towards attracting that capital.

The EU is consulting its member states on that proposal, with internal disagreement on whether the power sources truly qualify as sustainable options.

France has led the charge for nuclear power -- its main energy supply -- to be included, despite robust opposition from Austria and scepticism from Germany, which is in the process of shutting all its nuclear plants.



PHOTO: DHAKA BANK

Akhlaqur Rahman, senior executive vice-president of Dhaka Bank Ltd, and Ahmed Kamal Khan Chowdhury, adviser of Software Shop Ltd, shake hands and exchange signed documents of an agreement on cash management services at the bank's head office in Dhaka recently. Emranul Huq, managing director of the bank, was present.

Rethinking the future

FROM PAGE B4

consumers to know more about a product or service better before purchasing/availing has now been extended to multiple such micro-moments as they are spending a significant amount of time to know more about products and services. Additionally, consumers are increasingly preferring purchasing sustainable products and services.

Their concerns about the environmental, social and governance aspects of production processes are becoming stronger and manufacturers and retailers need to become more serious about this trend. Consumers, particularly white-collared and affluent workers, are increasingly preferring to

describe themselves as eco-friendly.

Such behavioural change in consumers is going to have a dual effect on businesses in Bangladesh. Retailers, especially the online ones, need to start sharing information more transparently with their consumers. Modernising their existing technology infrastructure will enable retailers to efficiently collect data from multiple sources, including the origins of production, and meaningfully disseminate that data to consumers as and when they demand for it.

Many buying decisions will be influenced by this transformation and depend on how successfully retailers adopt modern technologies to address

this need.

Secondly, a sector such as apparel manufacturing, which is one of the country's leading export sectors, must review and reconfigure its production process to address the preferences of overseas consumers. Such a sector will also have to adopt technology and innovate sustainable processes to ensure that it adopts sustainable manufacturing.

The behaviour of shoppers is going to evolve rapidly worldwide in future. Retailers must rethink and reconfigure their business and operational strategy to address this requirement with speed and agility.

The writer is a partner at PwC. Views are personal.



The month-long '2nd Bangladesh CMSME Trade Fair' kicks off at Shahjahan Field adjacent to Pahartali European Club in Chattogram. PHOTO: RAJIB RAIHAN

More workers died in workplace accidents in 2021

STAR BUSINESS REPORT

An increased number of workers died in workplace accidents last year, said the Bangladesh Institute of Labour Studies (BILS) yesterday.

At least 1,053 workers were killed, up 44 per cent from 729 in 2020, said the BILS based on a survey of reports published in the newspaper in 2021 on the labour and workplace situation in Bangladesh.

Last year, 594 workers were injured in their workplaces, it said in a press release.

The survey was focused on accidents, torture, labour unrest and related issues, said the BILS.

Besides, 147 workers were tortured in their workplaces and 125 suffered injuries.

Apart from the workplace casualties, 91 workers were killed and 114 injured on their way to work last year.

According to the survey, of the deceased in 2021, 1,003 were males and 50 females.

The highest 513 deaths were in the transport sector followed by 154 in construction and 87 in agriculture.

Road accident, lightning, fire, fall from height, falling objects, toxic gases, wall or roof collapses and cylinder explosions are among the major causes of the accidents.

Outside of workplace accidents, 300 workers were tortured last year.

Of them, 191 were lost their lives, 70 were injured, three went missing, 26 committed suicide, eight were kidnapped and two were tortured.

Of the 300, 215 were male and 85 female workers.

Garment industry workers were the most victimised as 87 individuals were tortured outside the workplace with 30 being killed, 37 injured, 13 committing suicide and three being abducted.

CMSME trade fair kicks off in Chattogram

STAFF CORRESPONDENT, Ctg

The 2nd Bangladesh CMSME Trade Fair, a month-long trade show, began in Chattogram on Friday but is yet to attract adequate crowds as most stalls are not ready to display their products.

This is because the fair began four days ahead of schedule.

The Chittagong Women Chamber of Commerce and Industry (CWCCI) organised the fair at the port city's Shahid Shahjahan Field with an aim to expand the market for the goods manufactured by the small and medium enterprises as well as female entrepreneurs.

More than 100 entrepreneurs are participating in the fair to display their products.

Rebeka Nasrin, chairman of the Bangladesh CMSME

"We hope that all stalls will be opened in the next couple of days and preparations are underway accordingly"

Trade Fair, said they took preparation to organise the fair from January 10.

However, they inaugurated the event four days ahead of schedule as there was no direction from the relevant ministry at the time. As a result, participants could not prepare within the short time.

Information Minister Muhammad Hasan Mahmud inaugurated the fair as chief guest.

"We hope that all stalls will be opened in the next couple of days and preparations are underway accordingly," Nasrin added.

Shopkeepers' orders on Unilever app up 76pc

STAR BUSINESS DESK

Lever Bazar, a business-to-business self-ordering digital platform of Unilever Bangladesh, is registering growing orders from retailers seeking to replenish store shelves.

The platform recorded 76 per cent year-on-year growth, bringing 2021's online orders to a total of 14.26 lakh, according to the company.

The multinational's average daily order count now stands at over 6,000, says a press release.

Unilever launched this initiative for its fast-moving consumer goods three months before the Covid-19 pandemic's advent in Bangladesh.

The aim was to enable registered retailers anywhere in the country to easily place orders instead of having to wait for company representatives.

The initiative showcased its potential when the government enforced a nationwide lockdown to stem the contagion's spread, as circumstances were such that company representatives could not always reach shopkeepers on time.

Mohammad Polash, a small shopkeeper from a remote area in Dinajpur, spoke of how he benefited downloading the app from Google Play Store and placing orders to get deliveries, all in the same week.

"Now I...also can track my orders through this app...This is a great experience for me," he said.

Pandemic fuels online exercise boom

AFP, Las Vegas

Interactive comment sections and virtual reality headsets: internet-connected fitness gear and services have boomed during the pandemic as at-home athletes seek a proxy for gym life.

While home workouts long predate the coronavirus, they have taken on a social aspect that looks set to become the standard in a world reshaped by the pandemic.

"A big part of going to the gym together is sort of suffering together... you build a camaraderie around that," Jeremy Needham, who does customer education for US boxing fitness company Liteboxer, told AFP at the Consumer Electronics Show (CES) in Las Vegas.

"And now that we don't share that space, at least in real time, we have to do it virtually," he added.

Like other companies that sell internet-connected fitness gear, Liteboxer offers customers access to workouts, competitions and other features for a monthly charge – on top of the roughly \$1,200 wall-mounted machine.

The market for fitness tech has been growing for years, but the industry has gotten a boost in the last couple of years, similarly to how the pandemic accelerated e-commerce and remote working trends.

Young people turning to tourism business

FROM PAGE B1

It runs cruise ships in the Sundarbans, boats in Tanguar haor, and car rental business in Bandarban.

"We operate tours in and out of the country. We are offering a lot of tour opportunities in Asia," Alam said.

Alam and his friends are not alone.

There are many young people who have made a foray into the tourism segment in recent years as it provides huge business potential as people in droves have started exploring the country riding on increasing purchasing power and a relatively good communication system.

The contribution of the tourism sector to the gross domestic product is estimated at 3.02 per cent, which is about Tk 77,000 crore, according to the Bangladesh Bureau of Statistics.

The sector accounts for 8.07 per cent of the total

employment.

Domestic tourists spent an estimated Tk 74,959 crore in 2018-19.

"When we started, young people did not come to the tourism business in a big way. The situation is changing."

Over the years, many of them have become entrepreneurs, operating tours locally as well as abroad.

The Online Travelers Association of Bangladesh and the Bangladesh e-Travelers Association, two platforms of tour operators, have around 300 members, and everyone has a travel company.

Mainul Islam Raju, owner of Diganta Travel Freak, a tour operator, began his business in 2018.

He leased a cottage in Sajek in 2019 and three more resorts in St Martin's Island and bought eight katha of land in the island.

By organising tours, it started making a profit of around Tk 20,000 per month. In 2019, it went up

to Tk 35,000.

This prompted him to rent an office in Khilgaon of Dhaka. But he was forced to shut it after the coronavirus pandemic spelled disasters for the tourism sector.

When the pandemic eased in 2020, he began sharing an office with another person in Paltan. It returned to profit from September 2020.

He also built a houseboat at Tanguar haor.

"We operate tours both in and out of the country," said Raju, who has invested about Tk 15 lakh in the business.

Now, he plans to set up a travel accessories shop.

Ataul Islam Masum, founder of Facebook-based group 'Hit the Trail', started conducting tours professionally from 2018. He has a resort in Remakri, where he invested about Tk 10 lakh.

Houseboats will be built at Tanguar haor this year and about Tk 15 lakh would

be needed in investment, he said. His monthly income is now Tk 50,000-60,000.

M Badruzzaman Bhuiyan, chairman of the Tourism and Hospitality Management Department at the University of Dhaka, says the tourism sector is doing well despite various challenges.

Now, the Bangladesh Tourism Board (BTB) or the Bangladesh Parjatan Corporation should guide these young people, he said.

"This is because if you have a guardian, you will be able to take advantage of the potential of the tourism sector."

There were 40 lakh to 50 lakh tourists in Bangladesh about two years ago. The number has gone up to 2 crore, said Javed Ahmed, chief executive officer of the BTB.

"As a result, this has become a huge market. As the number of tourists is increasing, it is becoming an attractive place for investors as well."

Taka hits 86

FROM PAGE B1

For instance, banks have so far purchased around \$2.50 billion from the central bank this fiscal year to settle their import bills. As a result, foreign exchange reserves are declining.

Import payments stood at \$31.16 billion between July and November, up 54 per cent year-on-year.

Remittances narrowed 21 per cent year-on-year to \$10.23 billion in the first six months of the fiscal year.

The BB official said the depreciation of the local currency would discourage businesses from importing luxurious items while encouraging expatriate Bangladeshis to send their hard-earned money through the formal sector.

In addition, this will also give a boost to exporters, he said.

The foreign exchange reserves stood at \$44.36 billion on January 6 in contrast to \$46.4 billion on June 30 last year. It hit a record \$48 billion in August.

Walton set to enter North America

FROM PAGE B1

The company will need to avail North American standard certification before entering the market and ensure product quality as such, he added.

Walton is currently exporting its products to more than 40 countries, including Europe, Africa, Asia and the Middle East, according to the press release.

Rouf went on to say that Danby Appliances realised that the Bangladeshi electronics giant is capable of manufacturing home appliances as per their requirement.

"So, we agreed to

develop and manufacture products in line with North American standards in collaboration with Danby, which will handle the sales and distribution of Walton products in North American markets," he said.

A team of senior officials from Walton recently visited the "Consumer Electronics Show (CES-2022)", the world's biggest tech trade show held in Las Vegas. It was there that a memorandum of understanding (MoU) was signed between Walton and Danby.

Edward Kim, president of the global business

division of Walton Hi-Tech Industries, and Andrew Raymond, chief financial officer of Danby Appliances, inked the MoU.

Golam Murshed, managing director and chief executive officer of Walton, said this partnership would help the company become one of the top global electronics brands by 2030.

President and CEO of Danby Jim Estill expressed his urge to collaborate in manufacturing, promoting and distributing Walton brand products in the North American region.

Investors pay the price

FROM PAGE B1

He said there are 250 TREC-holders which are also the shareholders of the DSE.

So, in October 2019 the BSEC halted the trading of Shah Mohammad Sagir & Co when it found that the firm had misappropriated investors' money. What is more, the regulator refunded affected investors by selling its shares in the DSE.

But the new TREC-holders are not shareholders of the bourse.

So, these firms may cause the situation to deteriorate, Rozario said.

Majedur Rahman said as brokerage houses deal with public money, there should have strong accountability mechanism, internal audit and corporate governance.

"Many brokerage houses lack them. Therefore, the BSEC and the DSE should monitor them strongly. If any anomaly is found, strict action should be taken."

REGULATORS STEPPING UP

Shaifur Rahman

Mazumdar, chief operating officer of the DSE, said the conditions for getting TREC have been tightened.

Applicants now must have at least Tk 5 crore in paid-up capital, up from Tk 1 crore previously as per TREC Rules.

In addition, the BSEC has a capital adequacy directives under which a full-fledged stockbroker needs to keep at least Tk 15 crore in paid-up capital.

"Some stockbrokers reports their activities to us that are not proper.

So, we are focusing on a uniform software so that we can track them easily," Mazumdar said.

"Moreover, we have enhanced our supervision for weak stock brokers."

Laws have been tightened to get rid of the anomalies, said Mohammad Rezaul Karim, a spokesperson of the BSEC.

"We have also taken steps so that brokerage houses can raise their capital base. But we also need to give them time to comply."

EU plans law for tech firms

REUTERS, Frankfurt

The European Union plans to legislate in the coming months to require technology companies to do more to tackle child sexual abuse, beefing up current voluntary arrangements, said EU Home Affairs Commissioner Ylva Johansson. The official said 22 million offences were related to child sexual abuse in 2020, up from 17 million in 2019.



High officials of Walton Hi-Tech Industries PLC and Danby Appliances pose for a photograph after the virtual signing of a memorandum of understanding for expanding its global market in the North American region on Sunday. PHOTO: WALTON

Minister
for quick
implementation
of GAP

STAR BUSINESS REPORT

Agriculture Minister Muhammad Abdur Razzaque yesterday called for quick implementation of Good Agricultural Practices (GAP) to increase export of farm produce.

The GAP is a “collection of principles to apply for on-farm production and post-production processes, resulting in safe and healthy food and non-food agriculture products, while taking into account economic, social and environmental sustainability”, according to the Food and Agriculture Organization.

Of the many government steps already taken to increase the exports, the formulation of the GAP Policy 2020 is one, Razzaque told a virtual meeting of a steering committee on the

“The GAP must be complied with to enter the international market for agricultural products.

policy’s implementation.

Officials, farmers, exporters and other stakeholders need to be involved and trained, he said.

Pilot projects or experiments need to be initiated on a priority basis focusing areas from where vegetables and fruits are most likely to be exported, he added.

Stressing on the policy’s implementation, Agriculture Secretary Md Saidul Islam, presiding over the meeting, said agriculture can be made profitable through export-oriented farming.

“The GAP must be complied with to enter the international market for agricultural products. With this in mind, we are working hard to implement this policy. Implementation work is in progress,” he said.

Officials concerned highlighted the implementation progress.

They informed that led by Bangladesh Agricultural Research Council, responsibility has already been delegated institutionally by formulating a time-bound action plan while technical and certification committees comprising various stakeholders have been formed.



Onion being packed in sacks at Sujanagar Haat in Pabna’s Sujanagar upazila last week.

PHOTO: STAR

Pabna farmers eyeing bumper onion cultivation

Growers using their own seeds to save production costs

AHMED HUMAYUN KABIR TOPU, Pabna

Md Kamruzzaman, an onion farmer of Durgapur village in Pabna’s Sujanagar upazila, is enjoying a good turn of fortune as he cut production costs by using his own seeds.

Kamruzzaman has already cultivated onion on 11 bighas of land this year with hybrid varieties being grown on two bighas.

He now plans to cultivate the popular kitchen item on another five bighas after harvesting the Kondo variety (Mulkata Piaj) in mid-January.

“I cultivated onions on just 10 bighas of land last year, when each kilogramme of seed cost as much as Tk 8,000, which was 30 per cent more compared to the year before, due to supply shortages in early winter,” Kamruzzaman said.

After enduring this bitter experience where production costs shaved his profits to a bare minimum, he decided to produce his own seeds. Now, he is getting bumper yields while saving on production costs too.

Kamruzzaman is not alone though as many other farmers like him in the area have started cultivating onions with their own seeds.

Last year, 6.35 lakh tonnes of onion were cultivated on 44,030 hectares of land and the same amount has been set as this year’s target, according to officials of the Department of Agricultural Extension (DAE).

“We aim to grow onions on 44,030 hectares of land in Pabna using local seeds and expect to get a production of 6.35 lakh tonnes as a result,” said Md Idris Ali, deputy

Last year, 6.35 lakh tonnes of onion were cultivated on 44,030 hectares of land in Pabna. This year, a target has been set to produce 6.35 lakh tonnes of the popular kitchen item on the same amount of land. Onions have already been cultivated on about 31,250 hectares as of December 31 and the sowing will continue well into January.

assistant agriculture officer of the district’s DAE office.

“Onion cultivation has made remarkable progress considering the cross cultivation target,” he added.

Onions have already been cultivated on about 31,250 hectares of land in the district as of December 31 and the sowing will continue well into January.

Besides, many farmers will plant other varieties of onion after harvesting the Kondo variety.

Kondo variety onions are grown between October and November.

Last year, 9,305 hectares of land in Pabna were used to grow 11,305 tonnes of the Kondo variety onion.

This year, 8,405 hectares of land in the region have been brought under Kondo

variety cultivation with 70 per cent, or 1.10 lakh tonnes, having already been harvested, Ali said.

But despite the bumper production, farmers are disappointed by the poor market price of new onions.

“Last year, I sold each maund (37 kilogrammes) of Kondo onion for Tk 1,700 to Tk 1,800. This year, each maund is being sold for Tk 1,150 to Tk 1,200,” said Md Nasir Uddin, a farmer of Chor Gorgori village in Ishwardi upazila.

Md Abdur Rashid, a trader based in the Sujanagar wholesale market, said there is an adequate supply of local onions in the domestic market while huge stocks of imported onions are also available.

“So, onion prices fell this year. But if imports stop, prices will increase,” he added.

Farmers claimed that since they cannot stock their Kondo onions at home as they easily rot, they are often compelled to sell them at lower prices.

Md Mizanur Rahman, deputy director of the DAE office in Pabna, said although prices have fallen this year, farmers will still make a profit because of bumper yields and lower production costs.

“After experiencing last year’s crisis, most farmers in Pabna prepared onion seeds and pulps themselves to save huge production costs,” he said.

Over 53,000 hectares of land in Pabna will be used to cultivate onion this year with an estimated production target of 7.5 lakh tonnes.

“But since production may exceed the target, farmers will be able to make a profit,” Rahman added.

Rethinking the future of shopping

ARIJIT CHAKRABORTI

The behaviour displayed by shoppers has changed rapidly over the last three years. Global consumer behaviour was evolving to live by the micro-moments three years ago.

Consumers already expressed their desire to know more about a product or service before purchasing. PwC’s Global Consumers Insights Survey 2018 identified some of these evolving behaviours and how the increase in smartphone and internet usage shaped those patterns.

The pandemic has rapidly changed consumer behaviour in the last two years. Most countries issued stay-at-home orders for a significant duration of 2020, resulting in scaled down operations of retail stores. At the same time, online purchasing of goods and services increased significantly.

To understand this rapidly changing consumer behaviour, PwC conducted multiple pulse surveys in 2021 and generated insights from them.

The survey conducted between July–December 2021 revealed some of the most recent behavioural changes along with the optimism among shoppers despite headwinds in many economies and the fear of another variant of the virus emerging. The survey covered 9,370 individuals spread across 26 countries.

The increase in the number of vaccinated individuals improved the optimism to a great extent.

Amongst those who were surveyed, 66 per cent of the partially or fully vaccinated individuals as well as 43 per cent of the unvaccinated individuals expressed their optimism about the future.

The option of flexible working has also boosted consumer optimism. They now prefer a hybrid model of working compared to only work from home or offices/locations. This optimism about the future is also related to consumer willingness to spend more in the coming months.

The historic rise of smartphone usage for shopping is another notable development.

As per the PwC survey, 41 per cent of the respondents said that they shop daily or weekly using their mobiles or smartphones compared to 39 per cent six months ago and 12 per cent five years ago. This has been a rising trend over the last five years and is expected to continue, particularly fuelled by smartphone proliferation and data connectivity in emerging countries like Bangladesh, India, Vietnam and others.

For example, 53 per cent of the respondents from India said that they shop daily or weekly using their mobiles or smartphones. The number went up to 69 per cent for the individuals surveyed in Vietnam.

The number of people resuming their visits to physical stores is gradually increasing. Lockdowns and the fear of infection had reduced physical store visits significantly. As per the PwC survey, 47 per cent of the respondents said that they visit physical stores every week.

Earlier, cash-affluent shoppers lacking time to physically visit stores started using mobile phones and online channels for shopping. Online shopping gradually found favour with more people as it saved time and increased convenience.

The pandemic compelled a significant section of shoppers across demography to opt for online shopping. At the same time, the stay-at-home restrictions and work from home options allowed cash-affluent consumers to become time-affluent as well. This has resulted in their willingness to know more about the products and services that they are buying today.

What emerged as a micro-moment for

READ MORE ON B2

Oil prices jump over Kazakhstan unrest

AFP, London

Unrest in OPEC+ member Kazakhstan has pushed up oil prices as investors fear supply interruptions, but the uranium market appears less affected despite the Central Asian country being the world’s second largest producer.

“Riots obviously can stop production and exports,” said Bjarne Schieldrop, an analyst at Swedish bank SEB.

Over the week, crude prices gained about five percent and on Friday Brent exceeded \$83 per barrel, “putting it at its highest level since the price slide triggered by the first appearance of the Omicron variant in late November,” said Carsten Fritsch, commodities analyst at Commerzbank.

Protests spread across the country of 19 million this week in outrage over a New Year increase in prices for liquid petroleum gas (LPG), which many use to fuel cars.

Thousands took to the streets in Almaty and in the western province of Mangystau in protests that broadened to include anti-government slogans.

Violence erupted when police fired tear gas and stun grenades at thousands protesting in Almaty on Tuesday.

The next day protesters stormed government buildings, setting them ablaze, and a nationwide state of

emergency was declared.

Kazakh president Kassym-Jomart Tokayev on Friday rejected calls for talks with protesters after days of unprecedented unrest, authorising his forces to shoot to kill without warning.

The country is the largest oil producer in central Asia with a twelfth of the world’s proven reserves, according to the US Energy Information Administration (EIA). Kazakhstan produced around 1.8 million barrels a day in 2020.

The country is also the second largest oil producer in the OPEC+ group of top oil producers, behind Russia.

Hydrocarbons made up 21 per cent of its GDP in 2020, according to the World Bank. Production by Tengizchevroil, the largest oil venture in Kazakhstan, “has been temporarily adjusted as a result of protests at the Tengiz field”, said Stephen Brennock of PVM brokerage.

But several analysts said there was no indication that oil production had been seriously affected. On Friday, production at the country’s top three fields was “said to be continuing”, said Brennock.

“Unrest in Kazakhstan is bullish in the short-term,” said Neil Wilson, an analyst at Markets.com. At close of trading on Friday, crude oil prices had fallen slightly, with Brent falling 0.28 per cent to \$81.76 and West Texas Intermediate down 0.54 per cent to \$79.03.



Passers-by take pictures of a burnt-out fire engine in central Almaty on January 7 after unprecedented unrest in the Central Asian nation due to a hike in energy prices.

PHOTO: AFP