

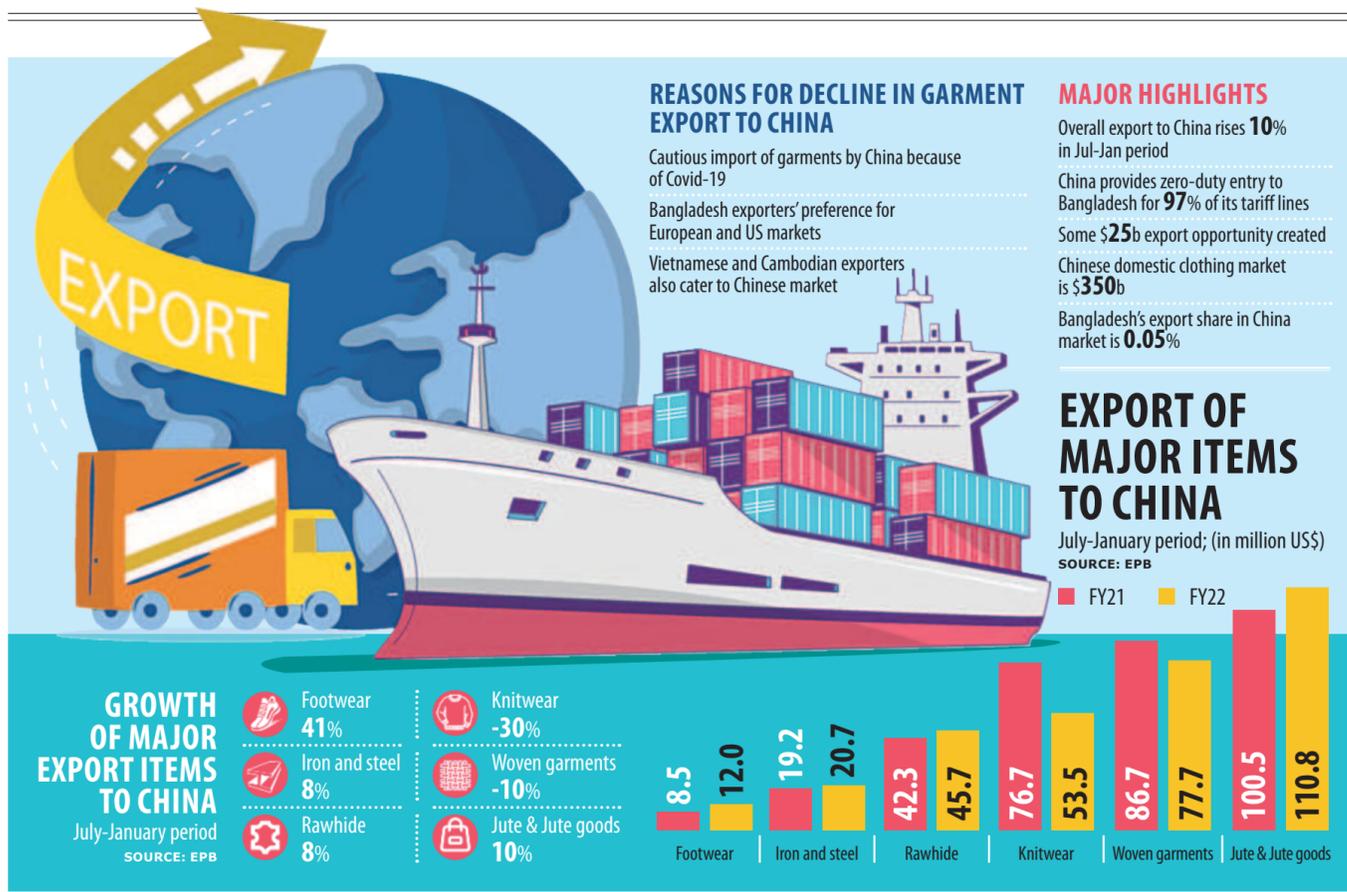
Star BUSINESS



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More relief for mobile users on the way

MAHMUDUL HASAN

The telecom regulator is set to bring massive changes to mobile data and other packages, a move that will cut the number of offers and enable customers to carry forward their unused data of the current deal to the next one.

According to a new guideline of the Bangladesh Telecommunication Regulatory Commission (BTRC), operators have to bring down the number of packages to 95, from a few hundred packages each now.

The move aims at giving relief to customers irked by a huge number of packages with a complex web of conditions, which cause confusion for them in selecting products.

The commission has already instructed the operators to follow the new directives from March.

READ MORE ON B3

ACC seeks account details of Agrani MD, spouse

STAR BUSINESS REPORT

The Anti-Corruption Commission (ACC) has asked banks to submit by today information pertaining to accounts of Agrani Bank Managing Director Mohammad Shams-Ul-Islam and his spouse Nasrin Hasan Chowdhury.

The anti-graft watchdog issued a letter to banks on January 13 as a part of its investigation on Islam's alleged involvement in laundering money abroad.

The ACC received allegations that Islam took bribes in giving out loans.

READ MORE ON B3

Apparel exports to China dwindle

REFAYET ULLAH MIRDHA

Although Bangladesh's overall export earnings from China increased 9.81 per cent year-on-year to \$426.14 million in the last seven months, apparel shipments to the East Asian nation failed to meet expectations despite enjoying duty benefits.

Apparel shipments to China fell to \$131.20 million in the July-January period of the current fiscal year, a decrease of 19.66 per cent from \$163.30 million in 2020-21.

Of the total garment exports to the world's second-largest economy during the period, knitwear shipments brought home \$53.53 million and woven products fetched \$77.68 million, registering a negative growth of 30.77 per cent and 10.36 per cent respectively, data from the Export Promotion Bureau showed.

China became a highly promising export market for local apparel products after Beijing extended duty-free benefits to 97 per cent of

Bangladesh's garment items considering its status as a least-developed country in July 2020.

Products that now enjoy duty-free access to the world's most populous nation include 299 garment items, of which 226 products are also covered by the Asian Pacific Trade Agreement.

Under the garments category, Bangladesh mainly exports woven T-shirts, polo shirts, trousers, sweaters, and other knitted items to China, the world's largest apparel producer and exporter.

Other items that enjoy the same benefit are jute and jute goods, leather and leather goods, live and frozen fish, and agricultural products.

With China's move to allow duty-free access for Bangladeshi apparels, an opportunity to export \$25 billion worth of garment items has opened up, according to a number of research papers showed.

To be more precise, Bangladesh's exports to China

could grow to \$25 billion if local suppliers just grab an additional 1 per cent share of the Chinese apparel market of \$350 billion.

Currently, the country's share of exports to the Chinese market is 0.05 per cent, which

Garment Manufacturers and Exporters Association (BGMEA), did speak extensively on the matter.

Garment exports to China fell in recent months for mainly two reasons, he said.

First, China has almost

which negatively impacted Bangladesh's exports," Hassan said.

He is hopeful that the export to China will grow with the easing of coronavirus restrictions.

Commerce Minister Tipu Munshi said the government has been monitoring the China export situation amid the country's ongoing recovery from the pandemic-induced shocks.

However, the shipment to other countries such as the US and those in the EU has risen significantly at this stage and so, local exporters are keener about these destinations, Munshi added.

Azizul Akil David, senior vice-president of the Bangladesh China Chamber of Commerce and Industry, said Bangladesh should not target Chinese markets for garment shipments as China itself is the world's largest apparel producer.

"So, the export of jute and jute goods, leather and leather

READ MORE ON B3



is equivalent to a bit above \$1 billion.

Syed Sadek Ahmed, chairman of Space Sweater Ltd, said he has been exporting sweaters to China for many years but the number of shipments is on a downward path. He declined to elaborate.

However, Faruque Hassan, president of the Bangladesh

completely stopped importing garment items as a part of its zero-tolerance policy towards the spread of Covid-19.

Second, Chinese consumers were affected by a recent depreciation in their local currency.

"So, the Chinese government is encouraging the production of their own garment items,

Sonali Paper, too, makes more money from share business than core operation

AHSAN HABIB

Sonali Paper & Board Mills Ltd is yet another company that logged higher profits from equity investment compared to its core business in the first half of the current financial year.

On the back of the higher returns from the stock market investment, the paper manufacturer's profits after tax surged more than seven times to Tk 25.6 crore in the July to December period.

As a result, the share of the low paid-up capital-based company jumped almost four times to Tk 720 in the last six months. Its paid-up capital is Tk 21 crore, data from the Dhaka Stock Exchange (DSE) showed.

Profit before tax from Sonali Paper's stock market operation was Tk 17.84 crore, whereas Tk 17.75 crore came as profit before tax from its core operation, according to its financial statements.

When a company makes more money from its share market investment, then it is clear that its own business is in a tough situation, said a stockbroker.

"Making money is not a bad thing, but the stock market is a risky place to keep funds. And a company's profits may turn into losses overnight."

"Therefore, the investors should be careful. They will be affected if they buy the company's shares considering the current income flow."

The stockbroker says small investors have a tendency to annualise such abnormal earnings of a company

READ MORE ON B3



A welder works on a 249.57-kilometre fuel pipeline being set up from Chattogram to Dhaka at a cost of Tk 758 crore. Currently private entities transport 22 lakh tonnes of fuel annually on coastal tankers from the port city to Godnail and Fatullah in Narayanganj and Daulatpur upazila of Khulna. The pipeline will save Bangladesh Petroleum Corporation Tk 5,000 crore a year alongside ensuring energy security. The photo was taken at Sitakunda upazila last month.

PHOTO: RAJIB RAIHAN

PM for finding ways to phase out subsidies

STAR BUSINESS REPORT

Prime Minister Sheikh Hasina yesterday strictly directed the ministries to find ways to gradually get rid of the huge amount of subsidies that have to be spent for various sectors.

The premier came up with the directives while speaking about the subsidies on gas and electricity at a meeting of the Executive Committee of the National Economic Council (Ecneec), said Planning Minister MA Mannan.

"Put an end to subsidies in phases -- gently, economically and effectively," the planning minister quoted the prime minister as saying.

Usually, the government shells out subsidies amounting to Tk 50,000 to Tk 60,000 crore annually for different sectors. However, the government will have to spend about Tk 70,000 crore in subsidies in the current fiscal year in the

READ MORE ON B3

FBCCI, VCPEAB to develop startup ecosystem

STAR BUSINESS REPORT

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and the Venture Capital & Private Equity Association of Bangladesh (VCPEAB) will work together to develop startups, and attract local and foreign venture capital investment.

The development comes as a six-member delegation led by Shameem Ahsan, president of the VCPEAB and general partner of Pegasus Tech Ventures, met FBCCI President Md Jashim Uddin at the FBCCI office in the capital recently.

Startups may contribute up to 2 per cent to GDP and create 1.5 million jobs by 2025

Jashim said the FBCCI and the VCPEAB will work together to ensure sustainable development of startups, for the greater good of the country's economy, and for the development of the sector.

"We will take up the issue of startups and venture capital to the highest level of the government and will help create young entrepreneur-friendly policies," he said in a press release.

Ahsan said: "We are working relentlessly to attract foreign investment by helping create an investment-friendly environment for local startups."

"In addition, the FBCCI and the VCPEAB will work together to provide policy support to startups, build infrastructure and develop skilled workforce for this industry."

He said the startups will be able to create an ecosystem that will contribute up to 2 per cent to Bangladesh's GDP and create 1.5 million jobs by 2025.



Ropes being manufactured at a factory in the industrial estate of the Bangladesh Small and Cottage Industries Corporation in Pirojpur. The estate lacks direct road connectivity, causing businesses to incur extra expenses for changes in the mode for transportation of goods. The photo was taken earlier this month.

PHOTO: HABIBUR RAHMAN

BSCIC firms lament absence of direct road connectivity

HABIBUR RAHMAN, Pirojpur

Annually churning out some Tk 65 crore worth of products, businesses at the industrial estate of the Bangladesh Small and Cottage Industries Corporation (BSCIC) in Pirojpur are incurring extra expenses for the lack of direct road connectivity.

Products currently have to be transported around a kilometre on engine-run vessels over the Boya canal and then across the Sandhya river to a terminal where road transportation can be availed to the surrounding districts.

This also makes it difficult to avail a ferry service some distance away at Kourikhara village.

This could have been avoided had a nearby bridge over the Boya canal been rebuilt. At present, the old and narrow bridge can only support, at best, the weight of goods-laden rickshaw vans.

The estate, established in the 60s on around 24.7 acres of land at Nesarabad upazila, also needs its road network to be repaved.

There are currently 91 companies

BSCIC at Nesarabad, Pirojpur

- ▶ Established in 1960s
- ▶ Area: 24.74 acres
- ▶ No of plots: 169
- ▶ Allocated plots: 166
- ▶ Active industrial units: 91
- ▶ Units preparing to start operation: 11
- ▶ Goods production: worth Tk 60-65cr/year

Produced items

- ▶ Furniture, bakery, sweets, rope, wooden handles of different iron products

Markets

- ▶ Dhaka, Chattogram, Barishal, Jhalakathi, Bagerhat and different areas of Pirojpur

running operations on taking allotment of 166 of the 169 plots there.

Another 11 companies are due to launch operations while four have suspended production.

Due to the availability of logs at

wholesale in a nearby floating market, most products at the estate are made out of wood. This includes furniture, cricket stumps and carrom boards. The firms also produce rope, quilt and shopping bags and process plastic for recycling.

"Only because of having no direct road communication, we fail to draw the attention of wholesale buyers from distant areas like Dhaka and Chattogram in spite of producing good products," said Mehedi Hasan Imran, a furniture factory owner.

The transportation cost is two to three times higher than what it would have been solely over roads, said another businessperson, Mohammad Masum.

Costs can be reduced if the bridge over the Boya canal is replaced with a wider concrete bridge and the roads are widened, he said. The issue was acknowledged by Milton Chandra Bairagi, deputy manager of the estate.

"Though the bridge is there, businesses cannot use it as it is very narrow and old," he said.

Bairagi, however, claimed that they were trying to develop the estate through the construction of a jetty in the Boya canal.

Nagad, DMCH sign deal to make payments easier

STAR BUSINESS DESK

Mobile financial service provider Nagad recently signed an agreement with Dhaka Medical College and Hospital (DMCH) in a bid to simplify the payment procedure.

Rahel Ahmed, chief executive officer of Nagad, and Brigadier General Md Nazmul Haque, director of DMCH, signed the agreement at the latter's office in Dhaka, a press release said.

"The services of Nagad are now easily accessible to thousands of people, which will be able to lessen their sufferings at the hospital," said Ahmed.

Nagad has set up merchant payment options at several counters in DMCH for patients coming to the hospital, which will help save time as well as reduce unwanted sufferings for the patients.

With this agreement, all kinds of fees, including ticket collection to visit a doctor, medical and other service fees, can be paid through Nagad.

Besides, salaries and allowances of DMCH's fourth class employees will be paid through the mobile financial service.

ABM Mannaf Parag, head of government sales, Md Ashrafal Alam, assistant director for finance and store, and Halima Sultana Haque, assistant director for administration, were present.

Walton offers Bangla voice-controlled AC

STAR BUSINESS DESK

Electric and electronics product manufacturer Walton has launched the country first voice-controlled air conditioner operable in Bangla language.

SM Mahbubul Alam, director of Walton Hi-Tech Industries, unveiled the new model at its corporate head office in Dhaka on Sunday, said a press release.

Alam dedicated the invention to the country's Language Movement martyrs, a day prior to International Mother Language Day.

Saying "Swagatam Walton" (welcome Walton) enables an active mode. The model can be then turned on or off saying "AC Chalu" (AC start) and "AC Bondho" (AC off) respectively.

"...We will come up with voice commands in languages of other countries where Walton ACs are exported. Similar innovations are underway for other Walton products too," said Alam.

Last year, Walton released its offline voice-controlled AC under an "Oceanus" series featuring the English language.

Amdadul Hoque Sarker and Humayun Kabir, deputy managing directors of Walton, Mohammad Rayhan, chief executive officer of Walton Plaza Trade, Tanvir Rahman, chief business officer of Walton AC, Firoj Alam, chief marketing officer, Tapas Kumar Majumder, head of research and innovation, SM Zahid Hasan, Yusuf Ali and Anisur Rahman Mollick, senior executive directors, and Rakib Uddin, executive director, were present.

Time to raise awareness

FROM PAGE B4

The results of the econometric exercise show that the impact of Bondhu Chula use on household biomass energy is significant. It was found that the use of Bondhu Chula reduces the per capita biomass fuel consumption on average, with a range of 9.75 kg to 12.25 kg per month. In terms of percentage reduction, this is about 30-37 per cent compared to the amount of biomass fuel used by traditional cook stoves.

The laboratory test, as conducted in Bangladesh by the BCSIR, claims that Bondhu Chula saves 50 per cent fuel compared to traditional cook stoves. The difference between claimed fuel reduction and empirically obtained reduction is perhaps due to varying cooking habits practised by the surveyed households.

Based on the above findings, we can take the average level of savings in biomass fuel consumption due to the use of Bondhu Chula to be about 11 kg per household member per month, which is about 600 kg per household per year.

With more than 29 million households, Bangladesh has a great market potential for Bondhu Chula. With 67 per cent of households using more than one stove, this could increase the total number of stoves to more than 50 million. Taking this potential market into account, we calculate that potential fuelwood consumption saving is

about 30 million tonnes per year, which is about 51 per cent of the country's total fuelwood consumption.

When converting this biomass fuel saving into the potential reduction of carbon dioxide emission, we obtain that the use of Bondhu Chula would potentially reduce 50.49 million tonnes of carbon dioxide emission per year nationally.

The next issue examined was the impact of Bondhu Chula on health outcomes.

It is very common that women in Bangladesh are responsible for cooking and thus they are mostly affected by indoor air pollution, which is likely to affect the health outcomes related to indoor air pollution. Household air pollution caused by cooking with biomass fuel has negative impacts on health.

Several studies showed the association between exposure to particles (caused by burning fuelwood) and respiratory diseases such as pneumonia or asthma. In this respect, the Bondhu Chula users were asked whether the use of the stove reduced indoor air pollution.

About 99 per cent of households reported that the use of Bondhu Chula reduced indoor air pollution. Thus, it is likely that the frequency of health problems associated with air pollution will reduce in the households with Bondhu Chula.

The estimated results also show that the use of Bondhu Chula significantly reduces the

air pollution-related health problems of women. The health outcomes in this study are self-reported and measured in terms of the number of eye irritation and the number of respiratory problems a woman suffers per month.

For both eye-related and respiratory problems, study results show significant negative effects (i.e., health-improving effects).

The results show that women with Bondhu Chula have on average 5.55-6.66 times lower eye irritation compared to the women who use traditional stoves and the same women have on average 0.90-1.28 times lower respiratory problems relative to women who cook using traditional stoves. Overall, our findings suggest that positive and significant health-improving outcomes are associated with the use of Bondhu Chula.

The use of Bondhu Chula is likely to affect through two channels the time allocations of women who are involved in cooking: first, Bondhu Chula may have an effect on the cooking duration by speeding up the cooking process and second, a reduction of fuel consumption may imply time savings in obtaining the fuel, be it in terms of collecting or buying it. In case Bondhu Chula has triggered time savings, households may then reallocate the freed-up time to other activities in a second-round effect.

The results of the study show that the use of Bondhu Chula does

reduce the household cooking time. This means Bondhu Chula affects the time savings of women through the first channel, i.e., speeds up the cooking process by efficiently using the fuel and therefore cooking time reduces.

Our results also show the effect of the second channel on time savings. The results show that the use of Bondhu Chula reduces the biomass fuel consumption and, therefore, the fuel collection times reduces.

From the survey data, we found that households with Bondhu Chula spend about 200 minutes lower time in collecting fuelwood compared to households with traditional cook stoves, mainly due to the reduction of biomass energy caused by Bondhu Chula use. Thus, women have more leisure time or allocate their time to some other productive activities.

The story of Samiul Islam of Lalmonirhat and Shahedul Islam of Kurigram narrated in The Daily Star story indicates that institutional efforts aimed at popularising Bondhu Chula are bearing fruit. But there is still a long way to go.

The report mentioned that only about 4.5 million out of a potential of 50 million Bondhu Chula have so far been installed. This means that the drive to raise awareness about the benefits of Bondhu Chula needs to be intensified.

The authors are economists.

Escalating Russia-Ukraine

FROM PAGE B4

escalation around Ukraine, as well as if cooler heads prevail amid rising demand and somewhat constrained supply."

"While the path of Russia-Ukraine crisis remains unclear with potentially elevated market volatility in the short-term, tightening monetary policy, in our view, still remains the key risk for equities as central banks attempt to aggressively re-anchor inflation expectations lower.

"Overly restrictive monetary policy could result in an outright policy error especially if the business cycle continues to deteriorate. At the same time, the Russia/Ukraine crisis could force a reassessment of the Fed tightening path resulting in central banks turning less hawkish, while policymakers may consider additional fiscal stimulus."

"The developments have provided a major blow for any remaining hopes for last minute diplomatic solution to avoid conflict in the Ukraine, which will surely be even harder to avoid now after Russia chose to blatantly disregard the Minsk agreement.

"There is now a significantly higher risk that tensions will continue to escalate in the region triggering a sharper sell-off for the rouble and placing more downward pressure on other European currencies, that should boost the relative appeal of the US dollar."



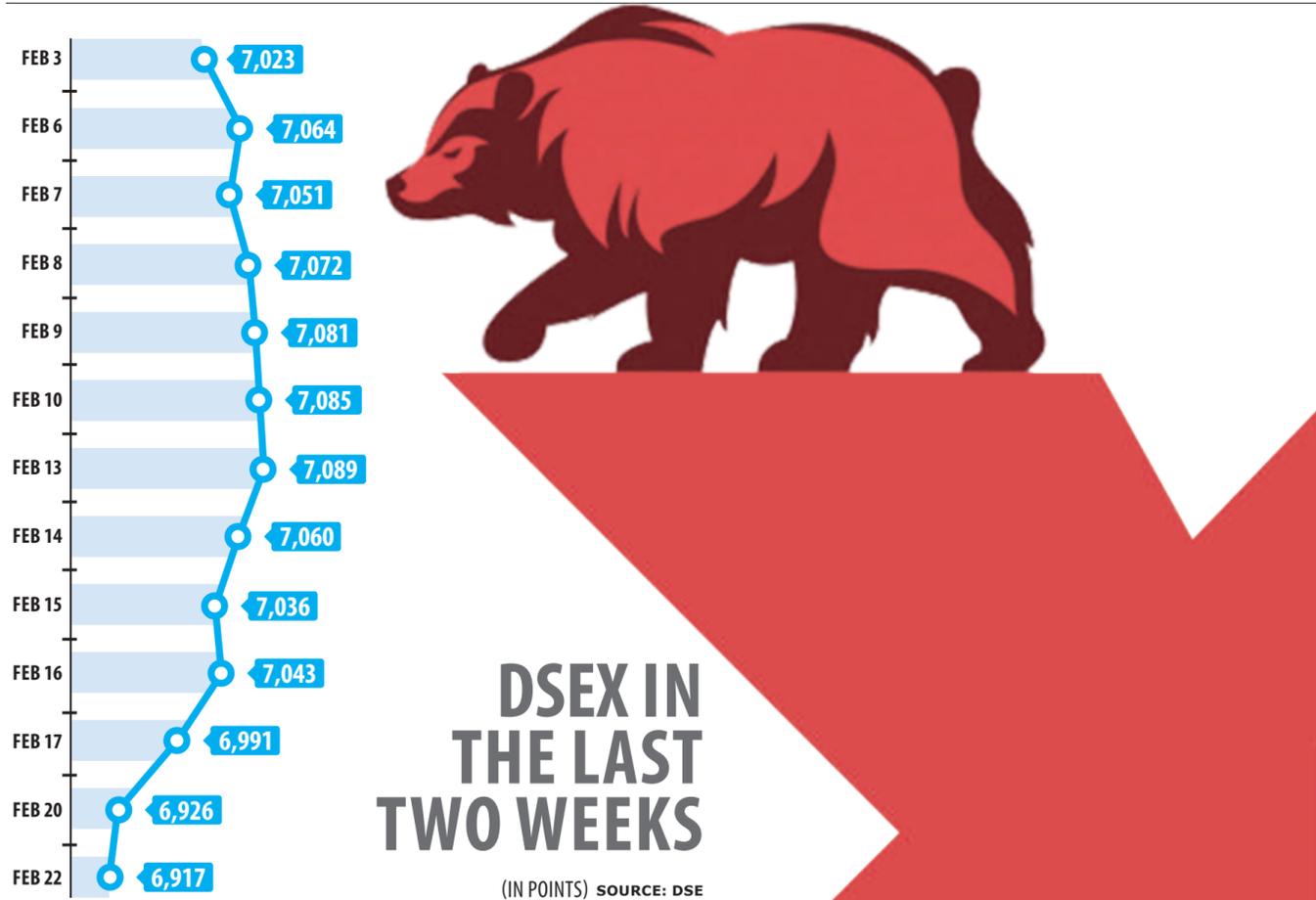
Tarik Morshed, managing director of Bengal Commercial Bank, and Md Forkan Hossain, general manager for the department of the accounts and budgeting at Bangladesh Bank, exchange signed documents of an agreement over an automated challan system at the latter's head office in Dhaka recently. All Bengal Commercial Bank branches will be able to collect payments of various government fees and revenues in real time and submit to the government treasury under this agreement.

PHOTO: BENGAL COMMERCIAL BANK



Adil Raihan, deputy managing director of Mercantile Bank, virtually inaugurates a training programme on "Awareness of E-payment of VAT, TAX and other charges" held recently. Javed Tariq, principal of Mercantile Bank Training Institute, moderated the programme. Md Shahinuzzaman, joint director of the department of payment system at Bangladesh Bank, and Md Golam Sarwar, assistant programmer of the National Board of Revenue, joined the event.

PHOTO: MERCANTILE BANK



Dhaka stocks, turnover drop despite receding Covid-19

STAR BUSINESS REPORT

Shares listed on the Dhaka Stock Exchange (DSE) fell yesterday while daily turnover, a key indicator of the market, dropped below Tk 1,000 crore for the first time in about two months.

Although the indices rose when the Omicron variant of Covid-19 was spreading like wildfire earlier this year, shares are on a downward trend despite the decreasing infection rate, according to a stockbroker.

"This ought to be just the opposite. Actually, our stock market is not responding to real reasons for change. Instead, it moves due to the activities of some big investors as the market size is comparatively small."

The DSEX, the benchmark index of the Dhaka bourse, edged down 8 points, or 0.12 per cent, to 6,917.

Turnover fell 20 per cent to Tk 908

crore from Tk 1,140 crore the previous trading session. On January 2, the turnover was Tk 894 crore. On the DSE, 173 stocks advanced, 154 fell and 49 remained unchanged.

"The investors' overall turnover dropped as they abstained from making any new investments amid the lack of a clear market direction."

The country's premier bourse plunged for a third consecutive day over Bangladesh Bank's directive that fixed the capital market exposure limit for non-banking financial institutions, International Leasing Securities Ltd

said in its daily market review.

"The investors' overall turnover dropped as they abstained from making any new investments amid the lack of a clear market direction."

ADN Telecom topped the gainers' list, rising 10 per cent, followed by Apex Spinning, Meghna Pet Industries, Dragon Sweater and Spinning, and Peninsula Chittagong Hotel.

Beximco Ltd was the most-traded stock with its shares worth Tk 64 crore changing hands.

Orion Pharmaceuticals saw a turnover of Tk 35 crore while Fortune Shoes registered Tk 27 crore, Bangladesh Shipping Corporation witnessed Tk 22 crore, and British American Tobacco recorded Tk 20 crore.

Aramit Cement shed the most, dropping 6.3 per cent. Zeal Bangla Sugar Mills, Samorita Hospitals,

Tamijuddin Textiles, and Rangpur Foundry were also among the heavy losers. Among the sectors, IT rose 2.5 per cent, travel and leisure gained 1.7 per cent, and real estate and services increased 1.6 per cent.

The jute sector dropped 3 per cent while paper and printing fell 2.3 per cent, and food and allied lost 0.9 per cent.

The investors' attention was mainly concentrated on pharmaceuticals and chemicals (12.3 per cent), miscellaneous (11.6 per cent), and textile (11.2 per cent).

The Chittagong Stock Exchange (CSE) remained flat as well, as the CASPI, the main index of the port city bourse, was unchanged at 20,231 points.

Among the 304 stocks traded, 136 rose, 132 fell and 36 did not see any price movement.

BD-Kuwait JV to set up lube oil blending plant

STAR BUSINESS REPORT

The Bangladesh Export Processing Zones Authority (Bepza) yesterday signed a land lease agreement with a Kuwait-Bangladeshi joint venture that will set up a lubricating oil blending plant in its economic zone.

KB Petrochemicals Ltd will establish the plant in the zone located at the Bangabandhu Sheikh Mujib Shilpa Nagar with an investment of \$10.39 million. This will generate job opportunities for 129 Bangladeshi nationals, according to a press release from the Bepza.

The plant will produce 20,000 tonnes of finished lubricants annually.

Abul Kalam Mohammad Ziaur Rahman, executive chairman of the Bepza, Ali Reza Mazid, member for investment promotion, and Jahangir Hossain Patwary, managing director of KB Petrochemicals, inked the agreement.

"Bepza always welcomes high-end and diversified products manufacturing industries for investment in the Bepza Economic Zone," Rahman said.

Prime Minister Sheikh Hasina unveiled the foundation stone of the zone, located on 1,138.55 acres of land in the industrial city in Mirsharai of Chattogram, in 2018.

Investors have already submitted 643 applications for plots. The Bepza has allotted 154 plots provisionally to 19 companies.

UCB to form subsidiary in Singapore

STAR BUSINESS REPORT

United Commercial Bank (UCB) has decided to form a subsidiary in Singapore to acquire a remittance business.

Its paid-up capital would be \$900,000, said the listed lender in a filing on Dhaka Stock Exchange (DSE) yesterday.

The company would be formed once regulators give the approval, it added.

The bank has also decided to issue UCB 2nd Perpetual Bond, an unsecured, contingent-convertible and non-cumulative bond, amounting to Tk 500 crore. This will be included in the additional Tier-1 capital subject to the approval of regulators.

Sri Lanka inflation hits record high

AFP, Colombo

Sri Lanka's inflation hit a record high for the fourth consecutive month, official data showed Tuesday as an economic crisis driven by a crippling foreign exchange shortage worsens.

The National Consumer Price Index (NCPI) rose 16.8 per cent in January from a year earlier, the fourth consecutive record rise and more than double October's figure of 8.3 per cent.

More relief for mobile users

FROM PAGE B1

"There are numerous packages in the market that are creating confusion and customers are complaining about this at the ministry, call centre of the BTRC, and during public hearings," said Subrata Roy Maitra, vice chairman of the BTRC.

"We have taken this step to simplify data packages so that customers can easily select their desired packages."

Before issuing the new directives, the commission met with officials of the operators and analysed the current market to put in place a better system.

ONLY THREE CATEGORIES OF PACKAGES

According to the new directives, an operator can offer 95 packages across three categories: regular packages, customer-centric special packages, and research and development packages.

The number of regular packages, which are aimed

at all types of subscribers, could be as high as 50, while the number of customer-centric special packages, which are for targeted groups of customers, will be a maximum of 35.

The rest 10 will come in the research and development category to allow operators to analyse the viability of packages and trends.

Every package will contain four types of duration: 3-day, 7-day, 15-day, and 30-day.

"Following the latest BTRC directive, we have started bringing down the number of packages," said Md Hasan, head of external communications at Grameenphone, the largest operator in Bangladesh.

"While the company has complied, we also believe in understanding customers' needs and package simplification accordingly for ensuring a better customer experience."

Ankit Sureka, head of

corporate communications and sustainability of Banglalink, said, "Being a compliant company, we abide by the BTRC's regulations and will follow them accordingly."

"However, we believe that the number of products should not be limited, as people now expect customised products. So, customers should be given the liberty of choosing the best ones that could be unique for them."

DATA CARRY FORWARD

Thanks to the new directive, the unused data can be carried forward if customers purchase the same package before its expiration, regardless of duration.

For example, if a customer currently buys a package offering seven gigabytes of data and 100 minutes of talk-time for three days but cannot use up the data or talk-time within the stipulated time, the purchase does

not carry into their next subscription.

But from March 1, the customers will be able to transfer the unused data and talk-time to the same package if it is bought before the existing offer expires.

Not only that, the data can be transferred to the new package under the other three types of duration.

Abu Saeed Khan, a senior policy fellow at LIRNEasia, a think-tank based in Colombo, says the new number of packages is still high and it goes against the consumers' interest.

"Besides, the BTRC should not regulate the price and packages as it is a hyper-competitive market where price regulation is counterproductive."

He also says the validity of all packs should be proportionate to the validity of connection, which is 90 days.

OTHER CHANGES

Operators can offer

bonuses on the packages but the price of the products cannot be lower than their cost. However, packages can be offered at the floor price.

Mobile operators will have to publish the list of regular packages on their website.

They have to send an SMS to their customers, informing them about the monthly expenses in Bangla, and email such information if users request as much.

Subscribers cannot be sent more than three promotional SMSs related to a package in a single day.

SM Farhad, secretary-general of the Association of Mobile Telecom Operators of Bangladesh, says the regulator has fixed the number of packages after discussions and consultations with the operators.

"We appreciate the BTRC's decision-making process in this regard."

Apparel exports

FROM PAGE B1

goods, freshwater fish and other high value-added items might be a better choice for Chinese markets."

MA Razaque, a research director of the Policy Research Institute who follows Chinese markets, says a major reason behind the decreased garment exports to China is the rising demand for locally made apparel items in the EU and the US.

Both the European and US markets have been buoyed by stimulus payments to consumers, helping Bangladesh recover quickly as well in its two major export destinations.

Moreover, there is a global inflationary pressure, which also influenced buyers to purchase more affordable consumer goods at competitive prices.

Bangladesh's current production capacity is mainly tailored for European and US markets, Razaque said.

He also agreed that the scope of exporting garment items to Chinese markets is more limited than that of the EU and US as China is mostly self-sufficient in garment production.

"Besides, Vietnam, China and Cambodia have formed a strong regional apparel supply chain that is very active now. So, imports from other countries have declined."

PM for finding ways

FROM PAGE B1

gas, fertiliser and electricity sectors alone if prices are not adjusted in line with the global prices.

"The subsidy we give is not fair. Some people are getting this subsidy while others are giving it. This is a serious matter. We must get rid of the system," said Mannan, while briefing the media after the meeting.

The subsidy on food and the subsidy on air conditioners are completely different, he said.

State Minister for Planning Shamsul Alam said, "We will provide subsidies to farmers and marginalised people. We will not give the subsidy for using AC to the people who live in Gulshan."

Responding to a query about monitoring development projects by the deputy commissioners (DCs), Abu Hena Morshed Zaman, secretary of the Implementation Monitoring and Evaluation Division (IMED), said the matter of the DCs to monitor projects was nothing new.

The cabinet in 2011 issued a notice, saying that the DCs will monitor projects, he said.

The secretary said there are 590 projects under

the annual development programme. "Of them, the IMED has the capacity to monitor 500 projects. The rest are looked after by the DCs."

Yesterday, the Ecnc approved 10 projects, including two revised ones. The overall estimated cost of the projects will be Tk 8,804.10 crore.

The projects include the "Development of BTCL's optical fibre transmission network for 5G utilisation" at an estimated cost of Tk 1,059 crore and the "Rehabilitation of coastal dams, development of drainage system and protection of banks in Mujib Nagar and Monpura of Bhola, Phase-I" with an estimated cost of Tk 1,092.70 crore.

Other projects include the rehabilitation of polders and protection of Betagi town and other vulnerable parts from river erosion caused by the Bishkhali and Payra rivers in Barguna with Tk 826.49 crore; integrated community-based centre for child care, protection and swim-safety facilities with Tk 271.83 crore; and establishment of two modern fire stations in Bangabandhu Sheikh Mujib Industrial City for Tk 122.72 crore.

ACC seeks account

FROM PAGE B1

The ACC letter said there were allegations that Islam had recruited employees for Agrani Bank and transferred employees from one branch to another breaching rules. He also allegedly

embezzled crores of taka, said the ACC.

Lenders have been asked to submit the information of all types of accounts - active, dormant and inactive - operated by Islam and Chowdhury.

Contacted, Islam declined to comment.

Sonali Paper, too, makes more money

FROM PAGE B1

by multiplying it by four and then applying the price-earnings ratio to derive the so-called fair value.

"Manipulators cash in on the tendency to make money at the expenses of common investors," he said.

Sonali Paper share closed 3.67 per cent lower at Tk 675.30 on the DSE yesterday. On the last trading day of 2021, it rose to as high as Tk 957.

"There are a few

companies that make money in the stock market," said Ali Imam, chief executive officer of Edge Asset Management.

He says in the financial report the return from the stock market must be cited as "non-recurring" income and it should be excluded while calculating the basic EPS (earnings per share).

"People will then be able to better value stocks in the market based on basic EPS."

Md Rashedul Hossain,

company secretary of Sonali Paper, says: "Our core business was impacted and sales dropped because of the coronavirus pandemic as educational institutions have been largely closed. So, the management decided to invest in the stock market."

However, the company's financial statement shows that paper sales rose 48 per cent year-on-year to Tk 105 crore in the first half of the current financial

year compared to the same period a year ago.

The sales were also up around 1 per cent year-on-year to Tk 141 crore in the last fiscal year of 2020-21.

As of March 31 of 2021, Sonali Paper had no investment in the stock market. On June 30 of last year, the company's share market investment was Tk 43.9 crore and it rose to Tk 45 crore on December 31, showed the financial report.

"The management will decide how long it will keep the fund invested in the market," said Hossain, adding that the business of paper is rebounding.

Sonali Paper is not the only listed company whose profits from equity investment surpassed that from the core business.

For example, Fortune Shoes earned more money from its stock market investment than its main business of footwear selling during the period.

Oil nears \$100

AFP, London

Oil prices surged close to \$100 per barrel Tuesday as major crude producer Russia prepared to send troops into two breakaway regions of Ukraine, sparking Western nations to ready economic sanctions against Moscow.

After heavy falls at the open, European stocks edged into positive territory, as the Kremlin said it remained open to all diplomatic contact over Ukraine. Asian stock markets had earlier ended their sessions with heavy falls.

Brent North Sea crude oil reached \$99.50 per barrel, the highest level in seven years.

At around 1115 GMT, it pulled back to just below \$98, still a gain of around 2.5 per cent compared with late Monday.

"The intensifying crisis between Russia and Ukraine has raised concerns about the supply

Brent North Sea crude oil reached \$99.50 per barrel, the highest level in seven years

disruptions that would ensue as sanctions look set to cripple Russia, the world's second largest oil exporter and the world's top natural gas producer," noted Victoria Scholar, head of investment at Interactive Investor.

German Chancellor Olaf Scholz said he was suspending the Nord Stream 2 pipeline project with Russia in response to Moscow's recognition of breakaway regions Donetsk and Lugansk.

Ukrainian President Volodymyr Zelensky had demanded an immediate halt to the project, set to pipe Russian natural gas to Germany via the Baltic Sea.

Zelensky said Russia must be punished for its recognition Monday of Ukraine's two separatist-held regions with "immediate sanctions" that include "the complete stop of Nord Stream 2".

It comes as the United States, Britain and the European Union prepared to launch economic sanctions on Russia.

"Our response will be in the form of sanctions, whose extent the ministers will decide," EU foreign policy chief Josep Borrell said. Russia's recognition of the breakaway regions of Ukraine will meanwhile "strongly increase" economic uncertainty for the EU, the bloc's economy commissioner Paolo Gentiloni said.

TOURISM SECTOR IN BANGLADESH

Contribution to GDP **3.02%**

Share of tourism in total employment: **8.07%**

DEMAND FROM OPERATORS

Tax exemptions to compensate losses

Scrap provision for mandatory coronavirus testing within 48 hours before flights

Simplify the visa process

Introduce apprenticeship programmes to create skilled workforce



Waive tax on imported goods, services

Hotel, motel, resorts and guesthouse owners say at FBCCI meeting

STAR BUSINESS REPORT

The owners of hotels, motels, resorts and guesthouses in Bangladesh yesterday demanded tax waivers on the goods imported and services rendered by their businesses in order to develop the local tourism sector and attract more foreign travellers.

Owners currently have to pay a huge amount of duty to import the equipment and products used by their businesses, and value-added tax on services rendered.

They raised this demand at a meeting of the standing committee on hotel, motel, resorts and guest house development of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

The meeting was held at the FBCCI office in Dhaka's Motijheel.

"We pay a huge amount of duty to import the products and equipment required to ensure modern facilities for foreign tourists," said Mohammed Hakim Ali, owner and chief executive officer of Hotel Agrabad in Chattogram.

Besides, the tourism sector has to pay 37 per cent income tax, which hampers the sector's development.

"And as the ongoing Covid-19 pandemic has almost destroyed the hospitality



industry, we, the owners, demand tax exemptions to compensate our losses," Ali added.

In order to attract more foreign tourists to Bangladesh, members of the standing committee demanded the provision for mandatory coronavirus testing within 48 hours before a flight be removed.

They also called for simplifying the visa application process.

While speaking to The Daily Star, Santus Kumar Deb, associate professor of the Department of Tourism and Hospitality Management at the University of Dhaka, said the lack of branding of hotels and resorts in Bangladesh is holding back growth in the country's tourism sector.

To address the issue,

he suggested using digital promotions such as social media to attract foreign tourists.

According to Deb, there is a tariff imbalance in Bangladesh as overpricing of items and room tariffs at hotels, motels, resorts, and guesthouses creates barriers for the sector.

Besides, there is a lack of a standard structure for the sector, he added.

Joining the meeting virtually, FBCCI Senior Vice President Mostofa Azad Chowdhury Babu said: "Hotels, motels and guesthouses were among the most affected businesses amid the pandemic-induced economic downturn."

He said the industry plays an important role in earning foreign exchange.

He urged the standing committee to find out the

problems and possible solutions in the sector and submit it to the FBCCI in the form of a proposal.

He said the matter would be discussed by the policy-making body of the government considering the proposal.

Khabir Uddin Ahmed, chairman of the committee, said at least three of the 17 Sustainable Development Goals (SDGs) are directly involved with the tourism sector.

Other goals are also indirectly dependent on the development of tourism. So, in order to achieve the SDGs by 2030, the tourism industry must be developed, he added.

Syed Moazzem Hossain, a director of the FBCCI, called for ensuring quality services for tourists at reasonable prices at hotels and resorts.

At the same time, he suggested more apprenticeship programmes to create skilled manpower.

Mohammad Mahfuzul Hoque, secretary-general of the FBCCI, said the organisation has been giving due importance to the development of tourism.

Co-chairs of the committee, Khandaker Ruhul Amin, Taofiq Uddin Ahmed, Mohiuddin Helal, AHM Aminul Islam Bhuiyan, Md Mahbub Alam, Mohammad Jahangir Alam, and Mehdi Amin Chowdhury were also present at the meeting.

Time to raise awareness about benefits of Bondhu Chula



NAZNEEN AHMED and MD ZABID IQBAL

In a recent report, The Daily Star presented the success story of several small-scale entrepreneurs producing and marketing improved cook stoves (ICS), commonly known as Bondhu Chula (Friend Stove).

The Bangladesh Council of Scientific and Industrial Research (BCSIR) innovated the environment-friendly Bondhu Chula in the early 1980s, which is designed to let out the smoke produced during cooking through a long pipe in the air outside in such a way that anyone in or outside the kitchen would not be affected by the smoke.

Moreover, no heat would be felt in the kitchen. The stove would also be more fuel efficient as it would require 50 per cent less firewood and also less cooking time. Besides, since the stove would not cause any smoke inside the kitchen, there would not be any stains from the smoke on the kitchen walls, doors and windows.

To what extent have the expected benefits of Bondhu Chula been actually realised?

To generate empirical evidence on this issue, the Bangladesh Institute of Development Studies (BIDS) carried out field research on the impact of Bondhu Chula. Zabid Iqbal and I jointly conducted the study.

Propensity score matching, a quasi-experiment econometric method, was applied using the 2018 household survey data of the BIDS that collected information from 600 users of Bondhu Chula and 396 users of traditional cook stoves.

It was found that about 90 per cent of the study households depend on fuelwood for their energy need for cooking, whether they use Bondhu Chula or not. Other fuels used by both groups of households included tree leaves, hay or jute cake, dung and wooden powder.

Except for cow dung, the energy consumption was much less among households using Bondhu Chula compared to the households using traditional cook stoves. This indicates the efficiency of Bondhu Chula in terms of fuel need. The efficiency of Bondhu Chula in fuel use was also observed by comparing the energy use of households before and after the installation of Bondhu Chula.

The pertinent statistics showed that energy use significantly dropped after the installation of Bondhu Chula. This was observed for all types of fuel used by Bondhu Chula users.

From these results, one can conclude that the use of Bondhu Chula significantly lowers biomass energy consumption. One can also infer that this reduction of energy use significantly reduces air pollution and deforestation because 91 per cent of the sampled households used fuelwood for the purpose of cooking and the sources of fuelwood were mainly trees.

READ MORE ON B2

Escalating Russia-Ukraine crisis ripples through markets

REUTERS, London

Stock markets tumbled on Tuesday while bonds and commodities rallied after Russian President Vladimir Putin ordered troops into the breakaway regions of eastern Ukraine.

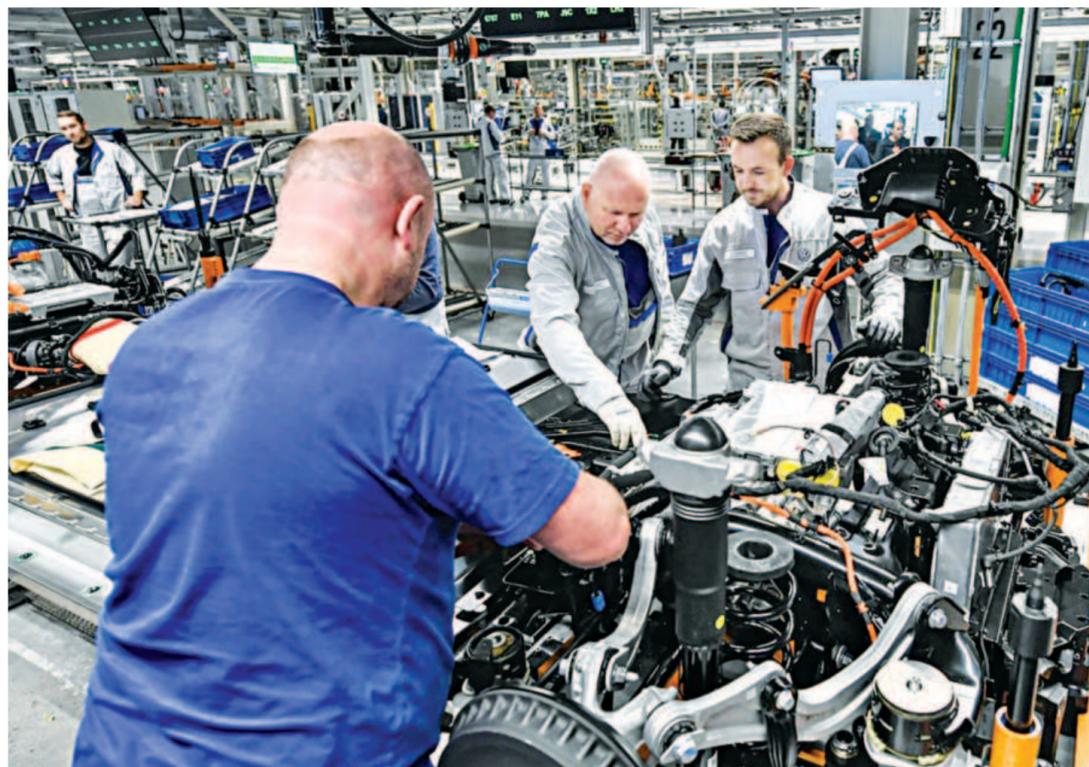
Below is reaction from analysts and asset managers to the latest events: "The short-term market reaction will depend on the extent of sanctions imposed by the West. Western leaders have two options a 'modest' approach, trying to signal de-escalation (what markets 'want' to see) or a firmer approach, recognising that allowing Putin to dismantle Ukraine piece by piece will still achieve his end goal, over a longer timeframe.

"EU ambassadors are meeting today to discuss their plan for sanctions...The US response is probably more important. This boils down to whether this is termed 'an invasion' or not. Blinken is still scheduled to meet Lavrov in Geneva on Thursday."

"While we believe it is too early to make a final assessment on what Monday's events may mean for the course of events, we remain of the view that the severe risk case we described earlier -- including fighting and a prolonged interruption of Russian energy exports -- still represents a tail risk at this stage.

"Allocations to commodities and energy stocks are an attractive option to help investors hedge portfolio risks. Energy prices would likely rise in the event of an

READ MORE ON B2



German business confidence rose to 98.9 points from 96 in January, with companies reporting an improvement in their expectations for the near future.

PHOTO: AFP

German business confidence rises in Feb

AFP, Frankfurt

The German business climate improved again in February, survey data published Tuesday showed, despite the aggravation of the crisis in Ukraine and persistent supply chain issues.

The Ifo institute's closely watched indicator rose to 98.9 points from 96 in January, with companies reporting an improvement in their expectations for the near future.

"The German economy is betting on an end to the Covid-19 crisis," Ifo president Clemens Fuest said after the government indicated it would roll back most of health restrictions designed to contain the pandemic by the end of March.

High case numbers around the turn of the year depressed domestic demand, hitting services particularly hard, and were a factor behind the economy shrinking in the last quarter of 2021.