



PHOTO: MOSTAFA SHABU

Dyed thread being put out to dry at a village housing a cluster of some 50 weaving factories focusing mainly lungis and saris at Sirajganj sadar upazila, some 126 kilometres northwest of Dhaka. The weavers say prices of thread had gone up threefold in recent times. The photo was taken at the start of this month.

Why investors not upbeat about bank stocks anymore

AHSAN HABIB

Bank stock prices have been low for several years now despite providing handsome annual dividends and this begs the question, why are investors less enthusiastic about buying shares in what was once dubbed the most attractive sector?

Bank stocks have the lowest overall price-to-earnings (PE) ratio among all 16 sectors in the market as it closed at 7.9 by the end of last week, according to data from Dhaka Stock Exchange (DSE).

When the PE ratio of a company or sector is low, it means shares in that company or sector have less value with respect to their profit.

Market players say that banks usually provide 10 per cent to 15 per cent dividend each year and to avail this benefit, investors normally buy shares in

the sector from December to February.

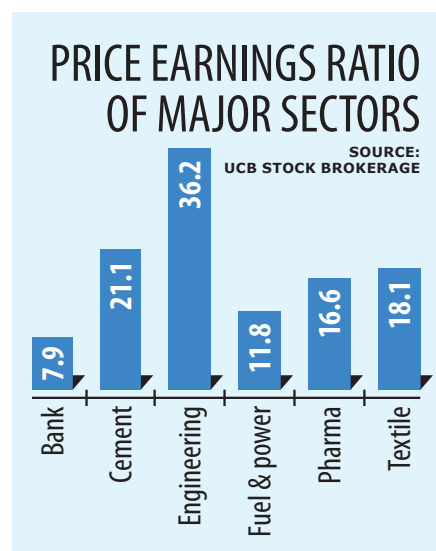
Still though, most bank stocks remained flat or moved slowly even in the December-February period for at least the past two years.

Analysts say the three chief reasons why investors lack interest in the sector are the low asset quality of many banks, huge pile up of non-performing loans (NPLs), and Bangladesh Bank's relaxed policies.

Interestingly, another reason for the low demand is that bank stocks are considered non-gambling shares.

Besides, investors are concerned about the sector's future as they believe the profits posted by banks in the country are fictitious, said a stockbroker on condition of anonymity.

"Their 'paper profits' may turn into losses anytime if their asset quality is properly audited," he added.



For example, the People's Leasing and Financial Services, a listed non-bank financial institution, was once a highly profitable company but it has since become a losing concern after failing to repay depositors due to its low asset quality.

Apart from this, banks suffer from huge amounts of default loans while the provision shortfall is also on a rising trend.

"So, the banking sector is not in a

good shape," said the stockbroker.

Bangladesh Bank has been taking various measures, such as relaxing the loan rescheduling and classification policies, to reduce the NPL rate but it still surged 16.38 per cent year-on-year to hit Tk 103,274 crore in 2021, as per central bank data.

The ratio of NPLs to outstanding loans and advances stood at 7.9 per cent last year in contrast to 7.6 per cent in 2020, the data showed.

Similarly, the provision shortfall widened to Tk 6,204 crore in September 2021, up 50 times compared to Tk 123 crore in December the year before.

"The full brunt of Covid-19's impact on the banking sector is also yet to be realised thanks to the central bank's policy support," the stockbroker added.

Borrowers enjoyed policy support in 2020 and 2021 as the government stepped in to help them withstand the coronavirus fallout.

For instance, Bangladesh Bank declared a moratorium facility for borrowers throughout 2020 that helped reduce NPLs to Tk 88,734 crore, down 6 per cent year-on-year.

The relaxed policy continued last year as well.

Under the policy, borrowers were allowed to avoid slipping into the default

READ MORE ON B3

Complaints against telcos piling up

Case pending at High Court

SUKANTA HALDER and ASIFUR RAHMAN

The stack of complaints against mobile phone operators is increasing everyday but the authorities are having to keep those aside because of a case pending at High Court (HC).

The Directorate of National Consumers' Right Protection is the authority dealing with the complaints.

The directorate started receiving complaints and fined the operators in 2017. After imposing a fine of Tk 9 lakh on three operators over eight complaints till May that year, they had to stop the process.

On May 28, 2018 mobile phone operator Robi Axiata filed a writ petition with the High Court after it was fined Tk 2.5 lakh on charge of cheating customers by not providing services promised under its internet package.

In the writ petition, Robi argued that they had been fined and that the directorate needed to have a judicial guideline to enforce laws against mobile companies. Later other mobile phone operators, including Banglalink, also filed petitions of a similar kind.

The HC issued an eight-month ban on the activities of the directorate regarding the complaints. Later hearing of the writ petition remained pending. The last hearing took place on November 5, 2020.

Taposh Kanti Baul, representing the directorate, said the hearing of the case was last scheduled to be held at Justice Md Mozibur Rahman Miah's bench in 2021 but that did not happen.

"After the bench was reshuffled, the case was not fixed for the next hearing. Maybe after this vacation (March 17 to 19), it will be refixed," he told The Daily Star on March 16.

In the meantime, the number of complaints against four mobile phone operators, Grameenphone, Robi, Banglalink and Teletalk, is increasing every day.

READ MORE ON B3

STOCKS		AS ON WEDNESDAY
DSEX	Flat	6,765.58
CSCX	0.02%	11,890.53

COMMODITIES	
Gold	\$1,937.71 (per ounce)
Oil	\$100.69 (per barrel)

CURRENCIES					AS ON WEDNESDAY
					STANDARD CHARTERED BANK
BUY TK	85.05	93.15	110.52	13.11	
SELL TK	86.05	96.95	114.32	13.78	

ASIAN MARKETS				
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▲ 1.84%	▲ 3.46%	▲ 0.97%	▲ 1.40%	
57,863.93	26,652.89	3,322.71	3,215.04	

GP postpones eSIM launch for regulatory hiccups

STAR BUSINESS REPORT

Grameenphone (GP) has postponed the launch of their eSIM service. Initially announced to be launched on March 7, the service is not yet accessible to the public.

The postponement took place after Bangladesh Telecommunication Regulatory Commission (BTRC) withheld the launching of Grameenphone eSIMs last week.

Sources close to the National Board of Revenue (NBR) has informed that the NBR has voiced their concern to the BTRC about the impact on revenue collection from the issuance of new SIMs if the eSIM was launched.

"We at BTRC welcome new technologies but as a regulator, we have to evaluate the technology as well as the impact it will have on the user's end," said BTRC Vice-Chairman Subrata Roy Maitra. "That's why we have withheld the launch of eSIM," he said.

When asked when the service will be launched, he said, "We have a meeting with GP next week and after that discussion, maybe we will be able to fix a tentative date when eSIM can be launched."

"Despite system readiness, due to some unavoidable circumstance, Grameenphone has deferred the launch of eSIM," GP Chief Corporate Affairs Officer (acting) Hossain Sadat told The Daily Star.

"We are in discussion with the authorities to finalise the revised launching date," he said.

eSIMs are devices embedded inside mobile phones, with which users can use telecom services without physical SIM cards. Many countries including some of the neighbouring countries have already launched this service. If the service is launched, Grameenphone will be the first eSIM provider in Bangladesh.



An array of gold ornaments are seen on display at a stall at the Bangladesh Jewellery Expo-2022 at International Convention City Bashundhara in Purbachal, Dhaka yesterday. The tree-day fair will remain open to the public from 10:00am to 8:00pm, and visitors need not pay an entrance fee.

PHOTO: COLLECTED

First jewellery expo kicks off at Purbachal

STAR BUSINESS REPORT

A three-day Bangladesh Jewellery Expo-2022 opened at International Convention City Bashundhara yesterday, organised by Bangladesh Jewellers Association (Bajus) to celebrate the birth centenary of Bangabandhu Sheikh Mujibur Rahman and the country's golden jubilee of independence.

Bajus hopes that the fair, the first of its kind in the country, would help develop the local gold jewellery industry by bringing in more buyers from home and abroad.

Echoing the same, Gulazar Ahmed, proprietor of Apan Jewellers, said the event was acting as a platform for introducing new products as well as scoping out the competition.

"We have relations with other traders but have no idea about the products they produce," he said.

READ MORE ON B3



A seller arranges stoves made of cement at Rohitpur in Keraniganj. Selling for Tk 200 to Tk 300 a piece, these stoves are a popular alternative to earthen stoves which lose shape and have to be remade if they come in contact with water. The photo was taken recently.

PHOTO: AMRAN HOSSAIN

Commercial Bank of Ceylon group MD to arrive in Dhaka today

STAR BUSINESS DESK

S Renganathan, group managing director of the Commercial Bank of Ceylon PLC, is scheduled to visit Bangladesh today.

Renganathan will attend business conclaves both in Dhaka and Chattogram, said a press release. In addition, he will be presiding over the bank's Annual Staff Conference over its Bangladesh operations.



According to the lender's website, over the period of last 16 years of operation in Bangladesh, the bank has expanded its network to 11 branches, 2 specialised OBU sections in Dhaka (Gulshan) and Chittagong (CEPZ) and 6 SME centres.

Unique products and services, superior service quality and efficient and customised solutions to the requirements of corporate and personal banking customers are hallmarks of the successful stride of CBC in Bangladesh, it said.

Ukraine war to halve Germany's growth: think tank

AFP, Berlin

Russia's invasion of Ukraine will have a heavy impact on the German economy, cutting its 2022 growth forecast by almost half to 2.1 percent, economic institute IWF said Thursday.

"Without the strong post-pandemic boost, German economic output would be in recession in the current year," said IWF vice president Stefan Kooths.

The war on the edge of the European Union will cost Germany some 90 billion euros in output for this and next year, said the IWF, the first to issue a forecast since Russia's assault began on February 24.

"The Ukraine shock will delay the return to pre-coronavirus pandemic levels in the second half," it said, adding that production capacities will not be fully utilised up to the end of the year as supply chains are broken and demand disrupted.

The German economy was previously forecast to grow by four percent this year.

At the same time, Europe's biggest economy will have to battle a sharp leap in consumer prices that could reach up to 5.8 percent - a level not seen since German reunification.

Energy prices have leapt since war broke out, forcing the first German companies to take drastic action like idling their plants while consumers are faced with hefty power bills.

Saudi prince faces dilemma over Russia and China

REUTERS, Riyadh

The United States and Britain are ramping up pressure on Saudi Arabia to pump more oil and join efforts to isolate Russia, while Riyadh has shown little readiness to respond and has revived a threat to ditch dollars in its oil sales to China.

British Prime Minister Boris Johnson flew into the world's biggest crude oil exporter on Wednesday, a day after US security adviser Brett McGurk arrived with a US delegation.

Saudi Arabia and its neighbour the United Arab Emirates, which are among just a handful of producers with spare capacity, have snubbed Western calls for more crude to cool red-hot prices and have stuck to an OPEC+ supply pact with Russia and others.

Crown Prince Mohammed bin Salman, the kingdom's de facto ruler, has faced sharp Western criticism over the 2018 murder of Saudi journalist Jamal Khashoggi, Riyadh's human rights record and the Yemen war.

US President Joe Biden has, so far, refused to deal directly with the prince,

who is widely known as MbS.

With US Saudi relations at a low point, MbS has responded by strengthening ties with Russia and China, even though the kingdom still has close security ties with Washington. McGurk and other US officials met senior Saudi officials on Tuesday, pressing them to pump more oil and find a political solution to end the war in Yemen, where Saudi-led forces are battling the Iran-backed Houthi group, two sources said.

"You would be wrong if you think Washington would give up on these two files," one of the two sources, who is familiar with the discussions, told Reuters. A senior US administration official said McGurk was in the Middle East "discussing a wide range of issues, including Yemen", but declined to elaborate. The British prime minister, meanwhile, described Saudi Arabia and the UAE as "key international partners"

in the effort to wean the world off Russian hydrocarbons and put pressure on Russian President Vladimir Putin after Moscow invaded Ukraine. But Abdulkhaleq Abdulla, a prominent Emirati political analyst, said

Johnson should not expect much. "Boris will go back empty handed," he wrote on Twitter.

The Saudi government did not immediately respond to a Reuters request for comment on the US and British visits.

For now, Saudi Arabia has shown no sign of abandoning an oil supply pact forged between the Organization of the Petroleum Exporting Countries and allies, including Russia, which has seen the group known as OPEC+ hiking oil output only gradually.

At the last OPEC+ meeting on March 2 - less than a week after Russia invaded Ukraine and as the West ratcheted up

sanctions on Moscow - ministers dodged the Ukraine issue in talks and swiftly agreed to stick to existing policy.

Meanwhile, Riyadh has signalled it wants closer ties with Beijing by inviting Chinese President Xi Jinping to visit this year. The Wall Street Journal said Saudi Arabia was in talks to price some crude it sells to China in yuan.

"If Saudi Arabia does that, it will change the dynamics of the forex market," said a source with knowledge of the matter, adding that such a move - which the source said Beijing had long requested and which Riyadh threatened as far back as 2018 - might prompt other buyers to follow.

The Saudi energy ministry declined to comment, while state oil giant Saudi Aramco did not respond to a request for comment. One diplomat said Riyadh was turning to "old threats" to push back at the West, although the diplomat and others say any shift to the yuan would face practical challenges, given crude is priced in dollars, the Saudi riyal is pegged to the greenback and the yuan does not boast the same role as a reserve currency.



Fed raises interest rate

FROM PAGE B4

reopened, inflation has roared back, with prices for gasoline, food, cars and rents pushing the consumer price index to a four-decade high.

Powell said supply chain issues were worse and more long lasting than expected, and acknowledged that "inflation is likely to take longer to return" to the Fed's two-percent goal.

Blaming the "elevated" inflation on "supply and demand imbalances related to the pandemic, higher energy prices and broader price pressures," the statement said "ongoing increases" in the policy rate will be "appropriate."

Markets are expecting a total of seven rate hikes this year, and while the committee typically moves in quarter-point steps, Powell said it could be more aggressive if needed.

"If we conclude that it would be appropriate to raise interest rates more quickly, then we'll do so," he said.

Kathy Bostjancic

of Oxford Economics said "the heightened uncertainty surrounding the full economic and market impact from the Russia-Ukraine war led policymakers to start conservatively."

"However, the Fed's



PHOTO: REUTERS/FILIE

revised interest rate dot plot and inflation forecasts signal the FOMC overall is in a very hawkish mood, as it is very determined to lower inflation," she said in an analysis.

Powell warned that in addition to higher global oil and commodity prices, "the invasion and related events may restrain

economic activity abroad and further disrupt supply chains, which would create spillovers to the US economy."

But he said there is little chance of a recession in the next year, noting that "the American economy is very

strong and well positioned to handle tighter monetary policy."

The FOMC also released new quarterly economic projections, showing members of the committee raised their median inflation forecast for the year to 4.3 per cent from 2.6 per cent previously, and slashed the growth

estimate to still-strong 2.8 per cent from 4.0 per cent. While the median forecast was for the Fed's interest rate to end the year at 1.9 per cent, members were split, with nine still expecting the level to be below two percent, and seven expecting a higher rate.

One member of the committee, the resolutely hawkish St Louis Fed President James Bullard, dissented from the vote, arguing for a half-point increase as the first step in the tightening cycle.

Powell also said the committee made progress on the next phase of its inflation fight: reducing the stockpile of assets the central bank built up in its effort to pump liquidity into the economy during the pandemic's worst months.

The first step in reducing the balance sheet holdings, including Treasury debt and mortgage-backed securities, could come as soon as the next policy meeting in May, he said.

Driving change: the knowing-

FROM PAGE B4

The next question was: Do you know how to resolve it? Some 69 per cent said 'yes', 26 per cent said 'may be' and the remainder said 'no'.

The third question was: How successful is your organisation in solving the problem (on a five-point scale where 1 being very successful and 5 being very unsuccessful)? The response was a "Neutral" 44

per cent, "Very Successful to Successful" 37 per cent and "Unsuccessful" 19 per cent.

When asked about the reasons for such deviation, the respondent cited various reasons, including top-down decision-making approach, comfort zone, team alignment, knowledge sharing culture and laziness.

It's evident from the above that if all of us

successfully convert our knowledge and available information into result-oriented action, the performance of the organisation as well as our own productivity may reach a level that may have a significant impact on the country's GDP.

Knowing-Doing gap is a common phenomenon across the world. If we really want to take a lead

at the global stage with our limited resources, it is important to bridge the gap between knowing and doing at all levels from politics, the government sector, the private sector down to the individual level. I believe this single cultural transformation may lead to the emergence of a "Shonar Bangladesh".

The author is a telecom and management expert.



Mohammed Monirul Moula, managing director of Islami Bank Bangladesh, addresses a Business Development Conference for the Chattogram region at The Peninsula Chittagong on Wednesday. Muhammad Qaisar Ali, additional managing director, JOM Habibullah and Md Nayer Azam, deputy managing directors, and Mohammed Shabbir and Md Maksudur Rahman, senior executive vice-presidents, were present.

PHOTO: ISLAMI BANK BANGLADESH

Moscow sets out new controls on foreigners trading Russia assets

REUTERS, London/New York

Russia has set out strict rules for foreigners seeking permits to buy and sell Russian securities and real estate, a client memo by Citigroup showed, as details emerge of new state controls on investment in response to Western sanctions.

Russia temporarily stopped foreigners dumping Russian assets this month, saying it wanted to ensure decisions were considered and not driven by political pressure, as sanctions have intensified after Moscow's invasion of Ukraine.

Funds with tens of billions of dollars in exposure to Russia have been awaiting details on new restrictions they will face as they seek to offload assets.

The invasion, which Moscow calls a "special military operation", triggered an exodus of

international firms and has largely cut off Russia's economy from the rest of the world.

The Russian authorities published Decree 81 this month that stipulates that any transaction between Russians and foreign counterparties requires permission from Russia's Government Commission for Control of Foreign Investment.

Effectively this meant foreign investors, who had acquired Russian stocks and bonds without restrictions, were left stuck with those holdings while the economy lurches from an enticing oil-rich investment destination to a financial pariah.

Russia has now laid out details of the application process for foreigners seeking to trade assets and which will restrict trading to those granted permits, the Citigroup memo says.

The process requires foreign investors wanting to buy and sell Russian assets to provide detailed information up front in order to obtain a permit to trade.

"Russian authorities have announced the order for obtaining permits to carry out operations determined by Decree 81. An authorised body empowered to take decisions on the issuance of permits has been established," the memo says.

It says an application and related documents must be submitted to the Russian finance ministry, in the Russian language, containing "information on the purpose, subject, content and essential conditions of the transaction."

Applicants must also disclose full information on beneficiaries and beneficial owners, the memo says.

Asian stocks rally as fears ease over Ukraine, Fed and China

REUTERS, Tokyo

Hong Kong led strong gains in Asian stock markets on Thursday, buoyed by signs of progress in peace talks between Russia and Ukraine and by expectations of more support for China's wobbly economy.

Pan-European stock futures also looked set for a firmer open, pointing 0.21 per cent higher. US stock futures indicated a slightly lower restart, but followed a 2.2 per cent surge for the S&P 500 overnight.

Investors took in stride the long expected start of monetary tightening in the United States.

Treasury yields eased a little after spiking to nearly three-year highs overnight - with shorter-end yields rising more to flatten the curve - after the Fed on Wednesday raised the policy rate for the first time since 2018.

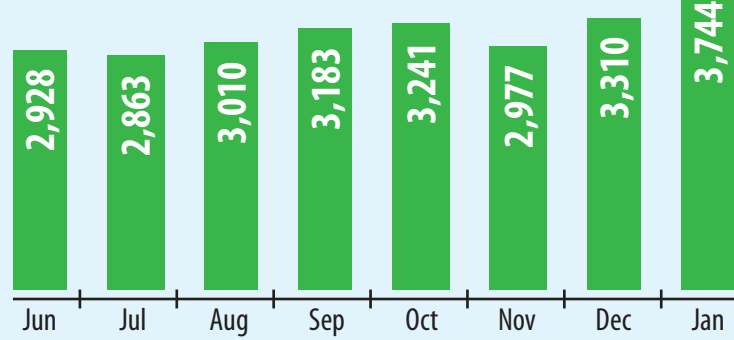
The Fed increased rates by a quarter point, as expected, and telegraphed equivalent hikes at every meeting for the remainder of this year to aggressively curb inflation.

The dollar, though, remained on the back foot and oil stabilized well south of recent multi-year highs amid signs of material progress in talks between Russia and Ukraine to end a three-week-old invasion that Moscow says is a "special military operation" to demilitarize its neighbour.

Meanwhile, investors' concerns about a sharp slowdown in China, which is battling a spreading Covid-19 outbreak with ultra-restrictive measures, were assuaged after Vice Premier Liu He on Wednesday signalled more stimulus to support the economy and markets, with additional supportive comments coming from the country's central bank, the securities regulator and elsewhere.

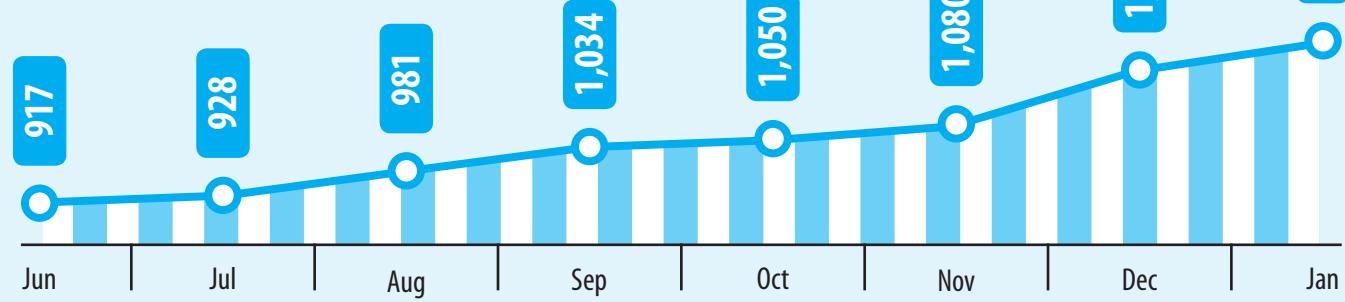
TRANSACTION THROUGH CRMs

(In crore taka)



Number of CRMs

SOURCE: BB



Cash recycling machines fast coming to the fore

AKM ZAMIR UDDIN

Banks are installing cash recycling machines at a faster pace as part of their efforts to provide deposit and cash withdrawal services to clients under the same platform.

This helps customers reduce reliance on branches and gives them more space to do banking.

The cash recycling machines are now making cash deposit machines obsolete, as the latter only allows injecting cash, and replacing automated teller machines (ATMs), which allow only fund withdrawals.

A cash recycling machine accepts cash, counts the notes, authenticates them, and credits the amount to accounts on a real-time basis, helping banks do away with the manual labour needed to provide the service. The technology is also allowing users to deposit and transfer cash to others' accounts.

A cash recycling machine helps clients avoid queues in front of branches in order to settle transactions in the cash counters as such type of facility is offered by the technology.

Banks in Bangladesh commenced installing cash recycling machines from 2017.

The number of machines stood at 1,261 as of January this year, up 59 per

cent year-on-year, showed data from the Bangladesh Bank.

Total transactions through cash recycling machines grew 97 per cent year-on-year to Tk 3,745 crore in January this year. Compared to December, transactions grew 13 per cent in January.

A cash recycling machine accepts cash, counts the notes, authenticates them, and credits the amount to accounts on a real-time basis, helping banks do away with the manual labour needed to provide the service

Cash recycling machines are helping banks manage cash in an efficient manner as the notes deposited can be used for the withdrawal of funds by clients. As a result, banks do not need to inject cash into the cash recycling machines frequently.

This means the method helps lenders reduce their cost by providing multiple services to clients through a single platform.

The tool increasingly gained importance during the coronavirus pandemic as banks discouraged clients from engaging in branch-led banking.

The number of cash recycling machines will increase manifold within the next couple of years as many banks have taken initiatives to set up the digital tool.

Syed Mahbubur Rahman, managing director of Mutual Trust Bank, said his bank had recently started focusing on setting up cash recycling machines given the potentials of this digital means.

The private bank has set up more than 20 cash recycling machines and it will install more machines in the days to come, he said.

Although the installment cost of a cash recycling machine is higher than that of an ATM, the convenience of the latest technology is excellent as it provides many services like a branch, he said.

This encourage banks to carry out branchless banking as clients can withdraw and deposit funds in tandem through cash recycling machines, Rahman said.

"We have a plan to install more cash recycling machines in the days ahead," he said.

The coronavirus pandemic has given a big boost to popularising the branchless banking riding on the various technology-driven means, a BB official said.

Cash recycling machine is one of the potential tools as clients do not require going to branch to withdraw or deposit funds with banks, he said.

Delivery Tiger gets courier service licence

STAR BUSINESS REPORT

Delivery Tiger recently received a courier service licence as it looks to run its e-commerce delivery business and collect the funds for cash-on-delivery.

Md Mohiuddin, chairman of the Mailing Operator and Courier Services Licensing Authority, handed over the documents of the licence to AKM Fahim Mashroor, chief executive officer of the courier service and parcel delivery platform, at the former's office in Dhaka.

"There are so many unauthorised courier services having mushroomed in recent times in the country and it raises risks of fraudulence in the sector," said Mohiuddin.



"So, we are now trying to streamline it and take measures so that the unauthorised courier service providers come under a legal framework," he said. He said the authority does not want to create any obstacle in the sector as it was flourishing with the success of e-commerce.

"But, the regulation will only be to ensure transparency and help the sector grow further," he added. Online e-commerce business is booming in the country but there are allegations that customers are not getting products on time.

At the same time, there are also allegations against some courier companies that they do not deposit the cash to merchants at the right time after collecting it from the customers.

Mashroor said cash-on-delivery for e-commerce has increased a lot after widespread scams that marred the sector.

"So, a licence for courier service and collection of cash for e-commerce delivery will help us to expand our service," he said. The licence is expected to protect customers and sellers from any risk of fraudulence, he added.

Toyota to cut global production by 17pc

REUTERS, Tokyo

Toyota Motor Corp said on Thursday it is cutting its global vehicle production target in April by 150,000 units to 750,000 as a continued semiconductor shortage and the Covid-19 pandemic bite into the automaker's production plans.

Average monthly global production for the period from April to June would be about 800,000 units, it added.

Toyota's global vehicle production would be down 10 per cent in May and 5 per cent in June compared to previous estimates made at the beginning of the year, a company executive said.

First jewellery expo kicks

FROM PAGE B1

"Through this platform though, both traders and customers can find out about the products and designs currently available," Ahmed added.

A total of 65 gold traders are displaying their products at the fair, which will remain open from 10:00am to 8:00pm every day. There is no entry fee.

The owner of Apan Jewellers went on to say that the government currently gets only Tk 500 crore as annual revenue from the gold industry, but there was scope to increase it to Tk 5,000 crore.

"To do that though, gold smuggling needs to be stopped," Ahmed said while citing that any passenger can import 200

grammes of gold paying minimum duty.

"This encourages vested sectors to bring gold through syndicates," he added.

In a bid to encourage legal imports, Bangladesh Bank has been issuing licences since 2019 and 19 companies have availed it.

The commerce ministry estimates that the annual domestic demand for gold jewellery is between 20 tonnes to 40 tonnes.

Of this amount, only 10 per cent is met through the resale of old ornaments.

However, traders believe the actual demand is around 25 tonnes to 30 tonnes per annum, and has been growing by 5 to 7 per cent over the years.

Pranab Saha, general

secretary of Bajus's Chattogram unit, said there were now more than 25,000 gold traders in Bangladesh.

"After a goldsmith earns enough capital within three to five years of working for another artisan, they start their own business and this is expanding the industry," he added.

Dilip Kumar Agarwala, managing director of Diamond World, said there was a big future for gold trading in Bangladesh as people here count the precious metal as an asset.

"Purchasing gold is a kind of investment in our country as the price increased by at least 10 to 12 times in the last 20 years," he said.

Complaints against

FROM PAGE B1

Till 2018, there were 1,246 complaints. With no results coming from filing complaints, the number reduced in the next three consecutive years, said a directorate official.

A total of 748, 546 and 659 complaints were filed in 2019, 2020 and 2021 respectively, according to the directorate data. Till February 15 this year, the number of complaints was 193, said a directorate official.

He said the maximum number of complaints was over being cheated by the companies through several internet data packages.

Other major complaints were charging for bills without informing the consumers about the issues and not providing services as per commitment, he said wishing to remain unnamed.

The directorate is active in cases that does not involve mobile phone operators, he said, adding, "We didn't solve those complaints as the HC is yet to deliver any judgement."

"Complainants became dissatisfied as they saw our inability," said the directorate Director (Admin and Finance) Monjur Mohammad Shariar.

Bangladesh Telecommunication Regulatory Commission (BTRC) is another organisation which could deal with consumers' complaints and they also have the right to issue enforcement order and penalise the operators.

Asked whether the complaints could be handed over to the BTRC to be resolved, Shariar said,

"No. Telecommunication is one of the eleven services in our law." "If there was an opportunity for a handover, it would have been mentioned in the law," he said.

The directorate Director General AHM Shafiquzzaman said he was new there and knew little about the issue.

"We want to settle the case as soon as possible. So that the consumers can get their complaints addressed," he said.

It is not appropriate to comment on a subjudice matter, said Brig Gen SM Farhad (ret), secretary general of the Association of Mobile Telecom Operators of Bangladesh (AmtoB).

Teletalk Managing Director Md Shahab Uddin initially agreed to talk but later did not pick up calls.

Ghulam Rahman, president of the Consumers Association of Bangladesh, said many consumers did not carefully read package offers issued by the operators and they got cheated.

"But if the complaints were settled, they could get a remedy and that's why the writ petition should be settled soon," he added.

On April 6, 2009, the government enacted the Consumer Rights Protection Act for the first time. Then on June 30, the Directorate of National Consumers Right Protection was formed.

From 2010 to February 2022, a total of 68,703 complaints have been filed with the directorate. Of these, 51,759 have been settled. The number of complaints waiting to be addressed is 16,944.

Germany plans extra borrowing

AFP, Berlin

The war in Ukraine and the fallout from soaring energy prices and sanctions against Russia will force Germany to take on more debt than expected this year, Finance Minister Christian Lindner said Wednesday.

After the government signed off on a "core" draft budget for 2022 that includes 99.7 billion euros (\$110 billion) in new debt, Lindner said a supplementary budget was in the works that will take into account Russia's invasion of Ukraine and its economic consequences. He declined to speculate how large the extra borrowing would be, saying the "uncertain times" made predictions difficult.

"With Russia's illegal attack on Ukraine, the world has changed once again and now we have to assume that we will also face additional burdens on the federal budget and additional expenditure," Lindner told a Berlin

press conference.

After years of chasing balanced budgets, traditionally frugal Germany took on huge debt in 2020 and 2021 to help Europe's biggest economy cope with the coronavirus pandemic, lifting its constitutionally enshrined debt limits to do so. Germany had hoped to scale down new borrowing in 2022 as it recovers from the coronavirus shock, but that was before the conflict in Ukraine shook the continent.

Talks are now ongoing among Germany's governing coalition parties - the Social Democrats, the Greens and Lindner's liberal FDP - about preparing a supplementary budget "as soon as possible", Lindner said.

The focus will be on costs for humanitarian aid abroad, help for Ukrainian refugees arriving in Germany, and support for households and businesses as the war drives up energy costs and disrupts supply chains.

UK and US to hold trade talks after Brexit

AFP, London

Britain said Wednesday it will hold a series of talks with the United States, as it seeks to pin down a long-awaited trade deal with the world's biggest economy after Brexit.

US Trade Representative Katherine Tai and Britain's International Trade Secretary Anne-Marie Trevelyan will hold discussions in Baltimore on March 21-22 and in the UK in the coming weeks, the government said in a statement.

The dialogues "will explore how the United States and United Kingdom can collaborate to advance mutual international trade priorities rooted in our shared values", it added.

London has negotiated a host of international trade deals since formally leaving the European Union on January 1, 2021, but a deal with Washington has so far proved elusive.

The talks come after US President Joe Biden and British Prime Minister Boris Johnson last year adopted a new "Atlantic Charter".

Trade between the close allies stands at approximately £200 billion (\$261 billion, 238 billion euros) a year.

"I am pleased to welcome Secretary Trevelyan to Baltimore later this month as we begin an open-minded and deep discussion on how we can advance smarter and more strategic trade between our two countries," said Tai in the statement.

Why investors not upbeat

FROM PAGE B1

zone in exchange of giving just 15 per cent of the total instalments payable last year.

A top official of a listed bank, preferring anonymity, said it was true that the asset quality of all banks are deteriorating year after year.

Bank loans may turn into sour loans at times for economic reasons but the sad thing is that most of the NPLs were forcefully given even though it was known that the borrowers could default.

"So, the political pressure on banks

and influence of their directors should be reduced in order to improve the sector's overall quality," he added.

The banker went on to say that since listed banks float a huge number of shares, these companies are not convenient to gamble with and as a result, investors who wish to engage in such activities end up shunning the sector.

However, some of the listed banks do have good asset quality and show true NPL rates while keeping an adequate provision.

"So, it is not expected

for every bank to have low share prices," he said.

Shahidul Islam, chief executive officer of VIPB Asset Management, said there are some irrationalities in the market as good companies sometimes have low share prices while those which perform poorly trade at higher rates.

"Investors should invest seeing the potential of the listed companies," he added.

Among 33 listed banks, 16 which had face values of Tk 10 traded below Tk 15 per share on Wednesday, DSE data showed.



AT A GLANCE

Established in: 1998

DISTANCE

105km from Jashore airport
210km from Dhaka via Mawa
407km from Chittagong seaport via Mawa

ZONE AREA

303 acres

TOTAL PLOTS

192 already allotted to investors
Some 62 more plots under development

RISE IN INVESTMENT

\$97.21m (As of Dec 2021)
\$5.14m (As of Jun 2011)

CUMULATIVE EXPORT

\$718m (FY2019-20)
\$74.5m (FY2010-11)



TOTAL JOBS

8,165 as of Dec 2021

MAIN PRODUCTS

Garments & accessories, jute products, agro-based products, electrical & electronics items, tent, bag & luggage, mannequin heads, wigs, surgical gown

OPERATIONAL UNITS

32 as of Dec 2021

Mongla EPZ finally begins to buzz

SOHEL PARVEZ

While most average towns in the countryside slowly wake up to brace the day, the small port town of Mongla in Bangladesh's southwest region is already bustling with activity by 6:00am each morning.

The narrow roads buzz with the blaring of horns and whirring of electric three-wheelers that are boarded by passengers from all over town and nearby villages.

However, these vehicles are almost always heading towards the Mongla municipal boat terminal, where ferries that carry people across Mongla River are docked.

"It just becomes a big crowd of people of mainly women at the terminal from 6:30am onward," said Mohsin Alam Bhuiyan, an official of Mongla municipality that collects tolls from people crossing the river.

Those who cross the river early in the morning mostly work at factories inside the Mongla Export Processing Zone (EPZ). "The pressure of workers remains high until 7:00am as they want to join work on time. Later, the crowd reduces and movement becomes slow until the evening, when workers start returning home," he added.

Bhuiyan went on to say that the number of workers at the EPZ increased over the last two or three years.

This is a relatively new development for the Mongla EPZ, which has registered increased turnout of workers in recent times after remaining quiet for years since beginning operations in 2001.

The EPZ was launched with the aim to generate jobs in the south-western part of Bangladesh by attracting investors and exporting products

abroad.

During the initial years, a large part of the industrial enclave remained unused and soon became overrun by wild trees and bushes.

Investors were uninterested in the EPZ at first for the absence of a gas connection and proper road infrastructure even though it is located less than a kilometre away from the main jetty of Mongla Port, the country's second largest seaport.

The EPZ was launched with the aim to generate jobs in the south-western part of Bangladesh by attracting investors and exporting products abroad

However, construction of the Padma Bridge and increased port activities attracted several investors to establish facilities at the EPZ, which offers land and other services at comparatively cheaper prices than major EPZs in Dhaka and Chattogram.

Today, 32 factories employing 8,165 workers are operating in the Mongla EPZ, which is one of eight operational EPZs under the Bangladesh Export Processing Zones Authority (Bepza).

Just 10 factories were operational at the EPZ in fiscal 2010-11, creating jobs for 523 workers. Now, the construction of eight other industries are under implementation, according to officials of the industrial enclave.

Beginning with a betel nut processing factory, various products such as garment and garment accessories, bags, jute products, agro products, electronics, wigs, marble columns, tiles and basins are now made in the export-oriented industrial enclave.

In fiscal 2019-20, cumulative exports of the Mongla EPZ was worth \$718 million, up by about 870 per cent from \$74 million in fiscal 2010-11.

At the end of December 2021, cumulative investment in the industrial enclave was \$97 million while it was just \$5.14 million ten-and-a-half years ago.

The EPZ's authority, which is 210 kilometres from Dhaka via Mawa, has already allotted 178 plots to investors out of the 192 available. The authority has also acquired 62 more plots to meet the growing demand.

Mahbub Ahmed Siddiq, executive director of the Mongla EPZ, said investors have been showing increased interests to invest in the industrial zone for the last three or four years.

One major reason behind the growing demand is the addition of new facilities at Mongla Port, where the increasing arrival of ships in recent years has provided impetus to investors.

Besides, the improvement of transport communication for the construction of Padma Bridge and railways connecting Mongla Port with Khulna has given confidence to investors, he added.

As a result of the increased investment, a large number of people who live in the vicinity of Mongla Port have got jobs.

"One of the biggest advantages at the EPZ is that it is less than half a kilometre from the main jetty of Mongla Port," said Jahangir Alam, production manager of

Kotobuki Bangladesh Ltd, which makes car seat heaters at the industrial zone.

"There is also available space for expansion while tariff is lower here compared to the EPZs in Dhaka and Chattogram," said the official of Kotobuki, which supplies its products to automobile makers such as Nissan and Mitsubishi.

The working environment at Mongla EPZ is quite good as well.

"Workers who are mainly from the local community are gentle and disciplined," said Md Mizanur Rahman Khan, head of human resource at VIP Industries Bangladesh Pvt Ltd, the largest employer and investor of Mongla EPZ. VIP, which began its journey in 2014, has seven operational factories out of its 11 available to make luggage bags for export mainly to India and the Middle East.

Badrnunessa Mili, a resident of Mongla town, said the increased work opportunities provided a big cushion to a large number of families during the pandemic-induced economic slowdown.

Noor Alam, president of the Mongla Nagarik Samaj, a civil society platform, echoed the same.

"Most workers employed in the EPZ are women and the jobs have economically empowered them. Living standards of their families has improved," he said.

Mongla EPZ Executive Director Siddiq said a section of workers would be able to join work easily after the rail line connecting Mongla Port with Khulna becomes operational.

He hoped that investment in the EPZ will continue to grow unless another round of Covid-19 hits the world. In addition, another 2,000 more job opportunities will be created soon.

Driving change: the knowing-doing gap

MAHTAB UDDIN AHMED

My journey to obesity started when I was introduced to the executive canteen of Unilever Bangladesh in Kalurghat, Chattogram, in 1993. My weight shot up by 15 kilogrammes within a span of six months despite my efforts to discipline myself.

I am not daring to fish for excuses but I do know some empathy are on my way from my obese brethren. It has been three decades since and I am still battling! All the bestsellers on weight loss, you name it, I have them all sitting proudly on my bookshelf! And, yes, I have read them all too and am a self-acclaimed expert on the subject! I know WHAT to do, I know HOW to do it, but I DON'T do it.



My visible commitments to losing weight are loud and clear. The solutions are also as clear: 1. Eat healthier food, 2. Exercise at least four times a week; and 3. Do not indulge in treats too often. To sum it up, it requires changing your lifestyle.

Despite knowing the exact formula of resolving obesity, what do we do instead? I eat out at restaurants with a firm resolve to stay within limits but end up eating too much. The internal voice whispers the excuse: "I am committed to being connected with friends and family". I eat food high in fat and spice and find solace when I hear the whisper to eat tasty food.

The root of my problem, of course, lies in the gap between knowing and doing. The subject has been studied for years as a concern, both within the workplace and our personal lives.

A few years back,

the term gained further attention when Jeffrey Pfeffer and Robert Sutton published "The Knowing-Doing Gap: How Smart Companies Turn Knowledge into Action". Fortunately, I had the opportunity to get familiarised with the subject during my AMP (advanced management programme) classes at Harvard Business School in 2016.

Corporate leaders and executives usually know the problems of the organisation and they also know how to resolve them. But in most cases, they don't act on resolving them

It is common knowledge among corporate leaders that change is constant and that any organisation needs to cope with changes. Let's take the example of the pandemic that has accelerated the digital transformation in all aspects of our work and personal life. While on the one hand, some adapted to the new way of work, grappling with a new meaning of life, a flexible work environment and coping with symptoms of mental health problems, on the other hand, there are many who became too lazy to act proactively.

Corporate leaders and executives usually know the problems of the organisation and they also know how to resolve them. But in most cases, they don't act on resolving them. Therefore, such organisations fail to reach their full potentials, if not remain in the same position.

Various research and surveys have been carried out globally about the Knowing-Doing Gap and it has been proven right repeatedly.

Even I had carried out a survey on the subject among my Facebook and LinkedIn followers. And the first question I asked was: Do you know the problem in your organisation? Ninety-three per cent responded, saying, 'yes'.

READ MORE ON B2

Fed raises interest rate in battle against inflation

AFP, Washington

The Federal Reserve escalated its battle against the wave of price increases battering the US economy, raising the benchmark interest rate on Wednesday even as it acknowledged the risks posed by the war in Ukraine.

At the conclusion of its two-day meeting, the policy-setting Federal Open Market Committee (FOMC) announced a quarter-point rate hike, the first since 2018 and since it cut the rate to zero at the start of the Covid-19 pandemic.

The central bank clearly signaled that the move, already well telegraphed by Fed officials in the weeks leading up to it, would be the first in a series.

"We're not going to let high inflation become entrenched. The costs of that would be too high," Federal Reserve Chair Jerome Powell told reporters, adding that the FOMC is committed to using its "powerful tools" to prevent that.

The central bank is walking a tightrope to ensure its inflation-fighting efforts don't derail the recovery from the Covid-19 pandemic even as Russia's invasion of Ukraine introduces new uncertainty in an economy battered by supply chain snarls and labor shortages.

In a statement, the FOMC said the fallout from the war in Ukraine is "likely to create additional upward pressure on inflation" and also could "weigh on economic activity," although the "implications for the US economy are highly uncertain."

The Fed moved swiftly in March 2020 to prevent the pandemic from sending the world's largest economy into a severe downturn, but as the virus waned and businesses

READ MORE ON B2



A person shops for groceries at Lincoln Market of Brooklyn borough in New York City on March 10. The Labour Department reported that consumer inflation rose 7.9 per cent over the past year, the largest rise since 1982, raising the prices of gas and consumer goods. Grocery costs rose to 8.6 per cent, the biggest year-over-year increase since 1981, and gas prices went up 38 per cent all within a 12-month period ending in February.

PHOTO: AFP

Cash-strapped Sri Lanka seeks IMF bailout

AFP, Colombo

Sri Lanka will seek an International Monetary Fund bailout, President Gotabaya Rajapaksa said on Wednesday, to battle record inflation and unprecedented food and fuel shortages as the country runs out of dollars to finance imports.

The South Asia nation is in the throes of its worst economic crisis since independence from Britain in 1948 with long queues forming outside gas stations and rolling daily blackouts imposed across the country. "Subsequent to my discussions with the International Monetary Fund, I have decided to work with them," Rajapaksa said in an address to the nation a day after meeting with an IMF delegation in Colombo.

A huge crowd stormed the president's seaside office over runaway prices with the rising cost of food, medicine and other essential goods causing serious hardship for Sri Lanka's 22-million people.