

Star BUSINESS



3 Bangladeshis on list of 100 Global Tech's Changemakers

STAR BUSINESS REPORT

Sonia Bashir Kabir, Afeef Zaman and Morin Talukder, three Bangladeshi tech and start-up entrepreneurs, have been named in the Rest of World's (RoW) 100 Global Tech's Changemakers' list for their contribution to the technology sector amidst challenges.

The RoW is a global non-profit publication covering the impact of technology beyond the West.

From tech leaders, innovators and investors to activists, the RoW identified those people outside Silicon Valley and the West whose efforts directly impact countries where the majority of the world's population lives.

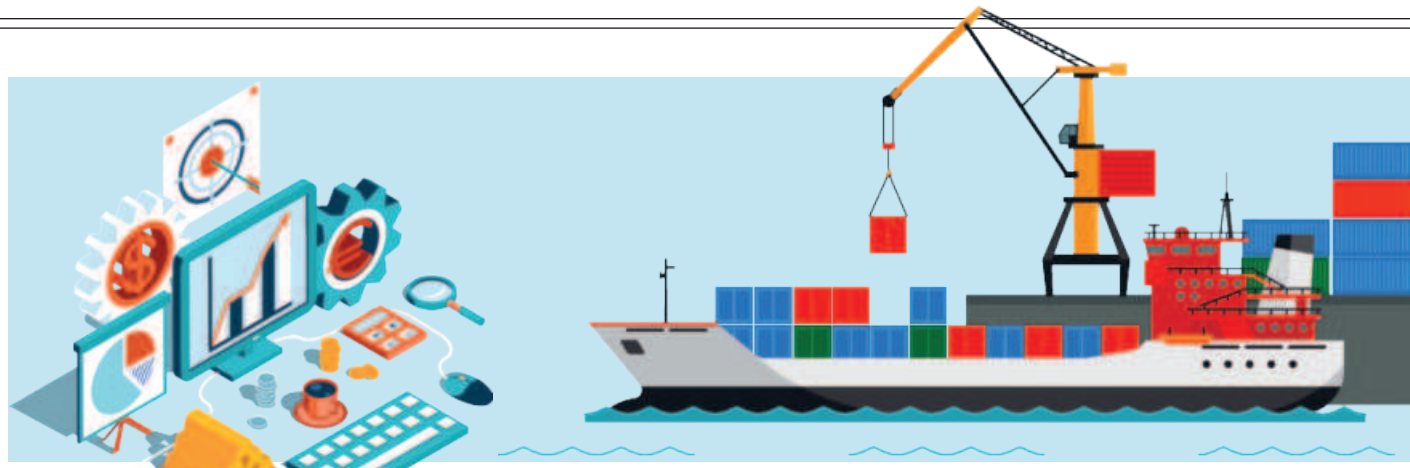
From tech leaders, innovators and investors to activists, the RoW identified these people outside Silicon Valley and the West

Earlier this year, it set out to find 100 of the most influential, innovative and trailblazing personalities in fintech, e-commerce, policy, digital infrastructure, and a range of other sectors that intersect with and influence technology. "To put together the list, our reporters and editors researched individuals in each regional ecosystem who have made an outsized contribution to their sectors while facing logistical, financial, and political challenges that come with building something groundbreaking in those communities," said the RoW.

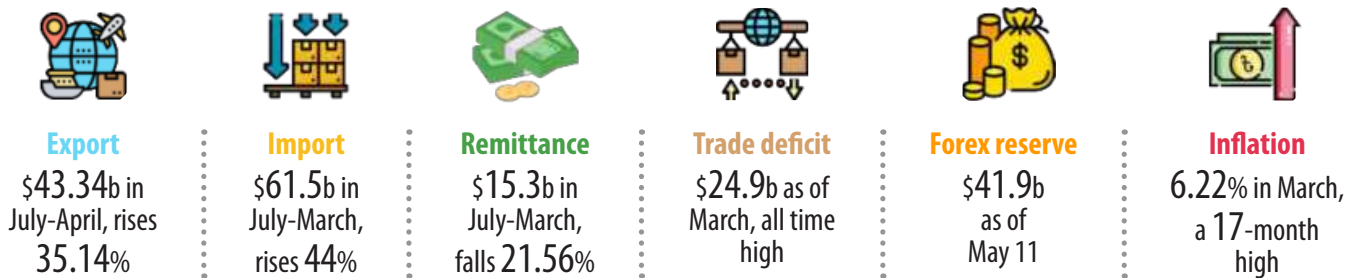
Among the three, Sonia Bashir Kabir is the founder and managing director of SBK Tech Ventures, a Bangladesh-focused venture capital fund which invests in startups that support the digital development of rural areas.

The SBK's portfolio includes Dmoney, Solshare, and Praava Health. Previously, as country manager of Microsoft Bangladesh, Sonia partnered with

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ECONOMIC INDICATORS



RISKS AHEAD

- Exports might be impacted
- Remittance is feared to come down
- Inflation may go up further for high import costs

RECOMMENDATIONS

- Increase competitiveness of exports
- Speed up trade facilitation
- Incentivise export
- Rationalise foreign exchange rate
- Focus on bilateral trade
- Manage public expenditure more efficiently

RENEWED THREATS for economy as global recession looms

AHSAN HABIB and MD FAZLUR RAHMAN

At the beginning of 2022, Bangladesh's economy seemed to be on course to grow at a faster clip buoyed by plummeting coronavirus infections, rebound in economic activities and the reopening of global economies.

But things began worsening in late February following the Russian invasion of Ukraine. Although neither Russia nor Ukraine is a large export destination or sourcing nation for Bangladesh, they are vital to the countries on which the country relies to drive its growth.

But as the Ukraine war, Covid-19 flare-ups in China, rising inflationary pressures, and continued disruptions in the global supply chain have raised the spectre of recession globally, Bangladesh might not escape unscathed if a global economic downturn hits.

With inflation at the highest level in 40 years and the central bank of the US taking increasingly aggressive action to cool consumer demand and prices, the risk of a global recession is on the rise,

according to Morgan Stanley economists.

"We live in the most chaotic, hard-to-predict macroeconomic times in decades. The ingredients for a global recession are on the table."



Bank of America and Deutsche Bank are among the Wall Street firms predicting a recession in the next two years, largely because of the monetary policy tightening.

Wall Street tumbled toward its lowest point in more than a year on Monday amid concerns about rising interest rates, as well as a slowdown in China.

"For the moment, the odds of a recession in Europe, the US, and China are significant and increasing," wrote Kenneth

Rogoff, professor of economics and public policy at Harvard University and a former chief economist of the International Monetary Fund, on April 26.

Bangladesh did not face a recession during the global financial crisis of 2007 and

are now squeezing the reserves as it fell to \$41.9 billion on May 11. The reserves are expected to fall further as the Bangladesh Bank's attempts to rein in international purchases have failed to yield any significant results.

Remittance, the cheapest form of US dollars for Bangladesh, dipped 21.56 per cent in the first nine months of the current fiscal year.

The exchange rate of the taka has remained volatile even though the Bangladesh Bank has depreciated the currency against US dollars four times this year. In a major blow to the households, inflation rose to 6.22 per cent in March, a 17-month high.

The only encouraging macroeconomic indicator is export earnings have been stellar. Between July and April, shipments rose 35.14 per cent.

The government is worried about the worsening situation and it was evident on Wednesday when it decided to stop foreign trips of its officials and postponed the implementation of less important projects.

This was not the first such

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Bangladesh 7th highest remittance recipient: WB

STAR BUSINESS REPORT

Bangladesh has retained its position as the recipient of the seventh highest amount of money transferred by migrant workers among 10 top recipient nations in 2021.

This year, however, the country may continue to experience a meagre growth in remittance inflow of only 2 per cent this year.

The World Bank revealed the projection in a report titled "Migration and Development Brief" published on Tuesday.

The top six remittance recipient countries ahead of Bangladesh are India, Mexico (which moved up to replace China in second position), China, the Philippines, Egypt and Pakistan.

However, among the eight South Asian nations, Bangladesh laid claim to the 3rd highest remittance inflow after India and Pakistan.

Remittance inflow to Bangladesh increased by only 2.2 per cent in 2021 to \$22 billion.

According to the report, the remittance growth was powered mainly by government incentives and support from migrants for their families back home.

In Bangladesh, except for a 24 per cent spike in March 2022 marking the start of the holy month of Ramadan, monthly remittance growth has been decreasing over the past eight months, mentioned the report.

The global lender, in the report, anticipated a 2 per cent remittance growth in Bangladesh in 2022.

South Asia's performance in remittance inflows in 2021 was spearheaded by India and Pakistan.

After a lull in 2020, remittance flows to India grew at 8 per cent in 2021 to \$89 billion while in Pakistan it increased at an impressive 20 per cent in 2021 to \$31 billion.

The report cited the main drivers for the rise in remittances from the US to South Asia in 2021.

Among them were better-than-expected economic recovery, generous fiscal stimulus measures, vaccine availability and record-high employment rates complemented with wage hikes.

While migration dynamics in the Middle East,

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STOCKS	
DSEX ▼	CASPI ▼
0.40%	0.41%
6,565.47	19,248.61

COMMODITIES	
Gold ▲	Oil ▲
\$1,839.77	\$106.66
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 2.14%	▼ 1.77%	▼ 1.89%	▼ 0.12%
52,930.31	25,748.72	3,165.18	3,054.99

Labour law to be amended by this year

Secretary says

STAR BUSINESS REPORT

The government has formed two committees which will bring amendments to the labour law by December 31 this year, said a top government official yesterday.

"It will be a good law...it will be a better law that will help all of us to maintain decent work in the industrial sectors," said Md Ehsan E. Elahi, secretary to the labour and employment ministry.

He made the comments at a daylong programme titled "First Industrial Safety Forum in Bangladesh" jointly organised by the Center for Policy Dialogue (CPD) and International Labour Organization (ILO) at Dhaka Sheraton Hotel.

Elahi also said the Department of Inspection for Factories and Establishments has already gone through around 5,200 entities to see if appropriate labour safety initiatives were in place.

"We have already formed 12 industrial safety units...focusing non-readymade garment factories. They have set their target to inspect around 45,000 establishments," he said.

"If needed, a policy would be formulated to improve industrial safety for non-RMG sectors...We are very much concerned about non-RMG and informal sectors," he said.

"We are working for the sectors...on how to establish decent workplaces and how to establish labour rights," he said.

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A farmer weeds his jute plantation in Boutipara village of Faridpur's Nagarkanda upazila. Jute is a cash crop grown in the rainy season, sown from March to May and harvested from June to September. Yields are a little less than 12 bales per hectare. The natural fibre sold for around Tk 3,000 per maund (37 kilogrammes) in mid-December last year. In the ongoing fiscal year, some 6.43 lakh hectares of land have been cultivated whereas it was 6.81 lakh hectares in the preceding year. The photo was taken on Monday.

PHOTO: SUZIT KUMAR DAS

EDIBLE OIL 8 companies sued for market manipulation

STAR BUSINESS REPORT

The Bangladesh Competition Commission filed cases against eight edible oil companies on Wednesday for manipulating the key cooking ingredient's local production and supply.

The companies are: City Edible Oil Limited (Teer), Bangladesh Edible Oil Limited (Rupchanda), Meghna and United Edible Oils Refinery Limited (Fresh), Bashundhara Oil Refinery Mill (Bashundhara), Shabnam Vegetable Oil Industries Limited (Pusti), S Alam Super Edible Oil Company Limited (S Alam), Prime Edible Oil Limited (Prime) and Globe Edible Oil Limited (Royal Chef).

The commission also served notices to the companies asking them to participate in the hearing of their cases.

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US eyes trade deal-lite as Southeast Asian leaders gather

AFP, Washington

The United States is preparing a scaled-back version of a trade pact as Southeast Asian nations gather in Washington, where President Joe Biden is seeking to show solid commitment in the face of a rising China.

Leaders from the Association of Southeast Asian Nations will meet Biden for dinner Thursday at the start of a two-day summit, part of a renewed US focus on Asia after months of intense effort on Ukraine.

Before Russia's invasion of Ukraine, the Biden administration had made clear that its top priority was competition with China due to its rapid technological advances and rising assertiveness both at home and abroad.

Kurt Campbell, the top White House official on Asia, said the United States would raise areas of cooperation with ASEAN leaders including fighting the Covid pandemic and disaster relief.

He also said he expected "substantial interest" by Southeast Asian nations in the Indo-Pacific Economic Framework, or IPEF, the latest acronym-branded US trade initiative, which was mentioned late last year by Secretary of State Antony Blinken in Indonesia.

"We're quite confident that we're going to be able to have a substantial launch with a very broad range of potential players," Campbell said at the US Institute of Peace.

Koji Tomita, Japan's ambassador to Washington, told a separate event that he expected IPEF to be unveiled formally a week later when Biden visits Tokyo and Seoul.

Former president Barack Obama had proposed the Trans-Pacific Partnership, billing it as a high-standards deal that would let the United States lead the emerging trade order in Asia.



A vendor balances a stack of new ledger books, going from one shop to another in the capital's Bangshal in search of people who have stuck to the traditional method for keeping accounts instead of going digital. Made in Moulvibazar, these books are priced anywhere from Tk 50 to as much as Tk 500. The photo was taken yesterday.

PHOTO: PRABIR DAS

UK economic growth slows in Q1

AFP, London

Britain's economy grew at a slower pace in the first quarter compared with the final three months of last year as the country battled soaring inflation, official data showed Thursday.

The economy grew 0.8 per cent in the January-March period compared with expansion of 1.3 per cent in the fourth quarter of last year, the Office for National Statistics said in a statement.

After solid output in January, the UK economy posted zero growth the following month and contracted by 0.1 per cent in March, ONS data showed.

It comes after the Bank of England (BoE) last week warned that Britain risks falling into recession with UK inflation expected to top 10 per cent, a four-decade high, by the end of the year.

Consumer prices are surging worldwide on supply strains as economies reopen from pandemic lockdowns – and in the wake of the Ukraine war that is aggravating already high energy costs.

Responding to Thursday's data, finance minister Rishi Sunak said Britain's economic recovery from the pandemic was "being disrupted by (Russian President Vladimir) Putin's barbaric invasion of Ukraine and other global challenges".

Sunak, however, added in a statement that UK "growth in the first few months of the year was strong, faster than the US, Germany and Italy".

While the UK economy grew for a fourth quarter in a row, and is above pre-pandemic levels, output in the first three months of 2022 was the lowest for a year.

"Our latest monthly estimates show GDP fell a little in March, with drops in both services and in production," said Darren Morgan, director of economic statistics at the ONS.

"Construction, though, saw a strong month, thanks partly to repair work after the February storms." Growth over the entire first quarter was driven by expansion in a number of service sectors, including hospitality and transport, Morgan added.

However, the contraction in March and slower first-quarter output as a whole "suggest the economy had less momentum than we thought even before the full hit from the cost-of-living crisis has been felt", noted Paul Dales, chief UK economist at Capital Economics.

"The risk of recession has just risen," he said, adding that "strong price pressures will probably mean the BoE will raise interest rates further".

The Bank of England last week raised its main interest rate by a quarter point to one per cent to tackle runaway UK inflation. It was the fourth straight increase by the BoE, while its key rate now stands at the highest level since the global financial crisis in 2009.

That is hiking borrowing costs for consumers and businesses, further impacting spending.

Britain's cost-of-living crisis was blamed in part for British Prime Minister Boris Johnson's Conservative party losing control of key councils in recent local elections.

Brac Bank to provide custodial services to Blue-Wealth Assets

STAR BUSINESS DESK

Brac Bank and Blue-Wealth Assets have signed an agreement for the bank to provide custodial services to the latter such that they can operate a "Blue-Wealth 1st Balanced Fund", a new open-ended mutual fund.

Tareq Refat Ullah Khan, deputy managing director of the bank, and Md Tajul Islam, managing director of Blue-Wealth Assets, signed the agreement at the bank's head office in Dhaka last month, said a press release.

Khan Muhammad Faisal, senior manager of the bank, Md Azmul Hasan Jahid, associate relationship manager of the transaction banking team, Sohail Hoque, chief compliance officer, and Mubashir Ahmed, manager for operations and fund management of Blue-Wealth Assets, were present.

Iraq strikes deal with Iran to secure summer gas imports

AFP, Baghdad

Iraq has agreed to pay \$1.6 billion in debt to Iran by June 1 to secure a steady gas supply for power generation through the summer, its electricity minister said.

Chronic underinvestment through decades of war and sanctions has left Iraq dependent on imports from its eastern neighbour for a third of its gas needs.

But US sanctions on Iranian oil and gas have complicated Iraq's payments for the imports, leaving it in heavy arrears and prompting Iran to respond by periodically switching off the taps.

The result has been extended power cuts across much of the country, particularly during the summer, when temperatures routinely reach 52 degrees Celsius (126 degrees Fahrenheit) sending demand for refrigeration and air conditioning soaring.

"We have reached agreement on supply in sufficient quantities. We have agreed on 50 million cubic metres (per day) during the four summer months," acting electricity minister Adel Karim told state television late Wednesday.

During winter, Iraq will import between 10 million and 20 million cubic metres per day of Iranian gas, he added.

"They agreed to supply us with the gas but they had conditions. They are demanding... \$1.6 billion," Karim said, adding the payment will have to be made "by the start of June".

The figure represents Iraq's arrears for 2020, which have yet to be settled because of the arcane payment method Iraq is obliged to use to comply with an exemption from US sanctions on Iran.

Iraq is not allowed to simply hand over cash to Iran. Payments must be used to fund imports of food and medicines.

Karim said gas imports from Iran are currently flowing at 38 million cubic metres per day.

Alternatives under consideration include a connection to the Turkish national grid to supply electricity to Iraq's second city Mosul and a link to Kuwait and Saudi Arabia to help power the south.

Happy marriage between

FROM PAGE B4

for instance, fair value accounting (allocating value to each component) or charge the negotiated value as capital expenditure and don't charge anything as service for three years.

The above two examples are good enough to make the investors and managers of an organisation understand the significance of accounting in the growing, complex digital world. It is not only to assess your organisation's true financial position, but also the comparative position against the competition/industry.

Hence, discharging the full responsibility to accountants without

adequate understanding may prove to be suicidal. Often the management has better understanding of the future than the accountant.

Management with a bit of understanding of accounting and accountants with better understanding of the business may benefit from the free flow of information between the two groups and this may in turn solve the long standing problem. To make it even more complex, the accounting can vary from industry to industry. For instance, telecom accounting has certain provisions which are different than those in textile.

When a husband and

wife complement each other based on trust and mutual understanding, the couple is bound to have a blissful conjugal life. Similarly, accounting and management are very closely related with diversified qualities. If these two groups complement each other, building on trust and respect, then business is bound to prosper.

Working in isolation is like a separation between husband and wife. It will not make any parties happy. Let's try to work on these dynamics of making everyone happy and build a successful company.

The author is a telecom and management expert.

Turning a hobby into a full-time

FROM PAGE B4

Akib launched a fishing game called 'One taka ticket' to promote ethical fishing. During the game, anglers will buy tickets at Tk 1, but they can't take away more fish than they will consume. Rather, they would release all the fish.

His business of selling baits grew in the next two years and he transformed his factory from a small shack into a modern unit.

In February this year, the 38 year-old authored a book 'Chhip Borshi' and received the Indo-Bangla Friendship Award for his role in promoting ethical fishing in the Indian subcontinent last month.

Akib says he has never thought that his business would come this far.

"My business is growing every day. It can grow further since the market at home and abroad is huge."

One day, Akib caught a big Katal fish from a waterbody, handed it over to this correspondent and wanted to know what his feelings are.

The fish used its full force to get released. The entrepreneur released the fish into the waterbody.

He said, "I never forget to show respect to this vitality of fish. I have to take care of fish species and the nature around us."

How Sri Lanka's economy went into

FROM PAGE B4

Days after taking office, Gotabaya appointed Mahinda prime minister and unveiled the biggest tax cuts in Sri Lanka's history, worsening chronic budget deficits.

Ratings agencies soon downgraded the country out of concern that the public debt was spiralling out of control, making it harder for the government to secure new loans.

The tax cuts were spectacularly ill-timed: just a few months later, the coronavirus began spreading around the world.

International tourist arrivals dropped to zero and remittances from Sri Lankans working abroad dried up – two economic pillars the government relied upon to service its

debt. Without these sources of overseas cash, the Rajapaksa administration began using its stockpiles of foreign exchange to make loan repayments.

Sri Lanka was soon burning through its foreign reserves at an alarming rate, prompting authorities in 2021 to ban several imports including – critically – fertiliser and agricultural chemicals farmers need to grow their crops.

The government sold this policy as part of an effort for Sri Lanka to become the world's first completely organic farming nation, but its effects were disastrous.

As much as a third of the country's agricultural fields were left fallow by farmers and the resulting drop in yields hit the production of tea – a vital export earner.

The policy was eventually abandoned at the end of 2021 after protests from agricultural workers and skyrocketing food prices.

By late 2021, Sri Lanka's reserves had shrunk to \$2.7 billion, down from \$7.5 billion when Rajapaksa took office two years earlier.

Traders began struggling to source foreign currency to buy imported goods.

Food staples such as rice, lentils, sugar and milk powder began disappearing from shelves, forcing supermarkets to ration them.

Then gas stations started running out of petrol and kerosene, and utilities could not purchase enough oil to meet the demand for electricity.

Long queues now form each day around the

country by people waiting hours to buy scant supplies of fuel, while blackouts keep much of the capital Colombo in darkness each night.

President Rajapaksa appointed a new central bank chief in April, who soon announced that Sri Lanka would default on its \$51 billion foreign debt to save money for essential imports.

The move failed to shore up Sri Lanka's deteriorating finances, and it only had around \$50 million in useable foreign exchange at the start of May.

The country is now in negotiations for an International Monetary Fund bailout.

Mahinda Rajapaksa, the prime minister, resigned on Monday in

an effort to placate the public after weeks of protests over government mismanagement.

But central bank chief Nandalal Weerasinghe said Wednesday that unless a new administration took charge soon, the country was facing an imminent economic collapse.

"No one will be able to save Sri Lanka at that stage," he said.

FROM PAGE B4 industry and households. Germania operations, based on Russian gas production, cover the entire gas value chain from pipeline transmission to storage and supplies to

wholesalers and retailers. Gazprom gave up ownership of the firm last month without explanation, forcing Germania's energy network regulator to take control of operations there.

Those operations include Germany's biggest gas storage facility at Rehden in Lower Saxony, with 4 billion cubic metres of capacity. The German economy ministry said it was

examining the Russian announcement on Gazprom Germania but still had no details. The supply of gas is currently guaranteed and is being constantly checked, the ministry said.

Russia puts sanctions on Gazprom units



Md Showkat Ali Chowdhury, chairman of Eastern Bank, cuts a ribbon to inaugurate the bank's new branch at the Suvastu Zenim Plaza in Dhanmondi residential area in Dhaka yesterday. Ali Reza Iftekhar, managing director of the bank, was present.

PHOTO: EASTERN BANK



Tanjil Chowdhury, chairman of Prime Bank, virtually presides over the bank's 27th annual general meeting yesterday. The shareholders approved a 17.50 per cent cash dividend for 2021. Zaem Ahmed, executive committee chairman of the bank, Anwaruddin Chowdhury, audit committee chairman, Sharif MNU Bhuiyan, chairman of risk management committee, Azam J Chowdhury, former chairman, and Hassan O Rashid, managing director, were present.

PHOTO: PRIME BANK



Migrant workers should come forward to improve the volume of the foreign exchange reserves of the country, a Bangladesh Bank official said.

PHOTO: STAR/FILE

Send remittance through formal channels

Govt high-ups, commercial bankers urge expatriates

STAR BUSINESS REPORT

High-ups of the government and the top commercial bankers yesterday urged expatriate Bangladeshis to send their money through legal channels instead of using hundi, an illegal cross-border money transfer network.

Sending money through banking channels will insulate the country's foreign exchange reserves, which are now facing a decreasing trend, they said at a ceremony for distributing the Bangladesh Bank Remittance Award to the top remitters for the period of 2019-20.

The rise in import payments deriving from the prices increase in the global market has hit the reserves, they added.

The event was held at Krishibid Institution Bangladesh in Dhaka with Finance Minister AHM Mustafa Kamal present as chief guest.

Abu Farah Md Nasser, a deputy governor of Bangladesh Bank, said the reserves had decreased to some extent after settling import payments with the Asian Clearing Union (ACU).

The migrant workers should come forward to improve the volume of the

reserves, he added.

The reserves stood at \$41.9 billion on May 11 in contrast to \$46.15 billion on December 31 last year. Earlier this month, the country made a payment of \$2.24 billion to settle the import payments of nine ACU member countries.

Nasser says that the money sent through hundi may be used to perpetrate money laundering, finance terrorism and human trafficking.

However, there is no such risk if remittance is sent through legal channels, he said.

Sheikh Mohammad Salim Ullah, secretary of the Financial Institutions Division, said that Sri Lanka is now facing a crisis due to the scarcity of foreign exchange reserves.

The existing policy will be amended to tackle hundi if anyone provides a suggestion in this regard.

"The country's image will shine in the outside world if we can tackle hundi in a full-fledged manner," he said.

Ahmed Munir Saleheen, secretary of the Ministry of Expatriates' Welfare and Overseas Employment, said the country is yet to draw up a diaspora

policy in a bid to urge the remitters for the country's economic development.

There is nothing to feel frustration about due to the downward trend of remittances though as around 10 lakh workers may go to abroad this year.

"This will give a boost to remittances," he added. Between July and April, remittance stood at \$17.30 billion, down 16.2 per cent year-on-year, central bank data showed.

Abul Kashem Md Shirin, managing director of Dutch Bangla Bank, said Bangladesh Bank usually warns banks when they follow high rates for the taka against US dollars.

"If banks do not give such rates, clients usually go to the illegal channel like hundi," he said, adding that the central bank should think on how to resolve the issue.

Mohammad Shams-Ul Islam, managing director of Agrani Bank, says there is an unholly competition among banks to hunt remittances.

In many cases, some banks offer excess rates to attract remitters.

"We may think of introducing an equal rate between the taka and US

dollar for all banks to stop the unethical competition," he said.

Fazle Kabir, governor of Bangladesh Bank, said the country's trade gap stood at \$24 billion in the first nine months of this fiscal year, when the current account deficit was \$14 billion.

After settling the import payments to the ACU, the reserves now stand at around \$42 billion, which is a good thing, he said. Although remittances have been maintaining a downward trend in recent months, the inflow may surpass \$20 billion at the end of this fiscal year, Kabir added.

Finance Minister Kamal said the reserves had recently declined as global commodity prices increased due to Russia's invasion of Ukraine.

"The inflow of remittance should be increased more," he said.

"The money that went abroad will come back to the country as the interest rate on deposits in foreign nations is now negative," Kamal added.

The central bank gave 67 awards, including those to 14 entities for their outstanding performance in sending remittances between 2019 and 2020.

NBFI board chiefs can't hold post in subsidiary

STAR BUSINESS REPORT

The Bangladesh Bank yesterday barred the chairman of any non-bank financial institution (NBFI) along with the heads of executive, audit and risk management committees from holding any post of its subsidiary or foundation.

The persons who are now holding such posts will have to resign or get exemption from the positions by June 30, according to a BB notice.

The shareholder directors along with nominated and representative ones, who have spent one year and above in the posts, will not be allowed to serve their NBFI on a regular or contractual basis. The persons who are now serving the NBFI will have to resign or get exemption by June 30.

The NBFI have also been instructed to inform the matter to the BB within the first week of July.

The banking regulator in the circular said the move would ensure discipline in the NBFI.

The same instructions were given to the banks as well on May 11.

Saudi Aramco becomes world's most valuable company

AFP, San Francisco

Saudi Aramco on Wednesday dethroned Apple as the world's most valuable company as surging oil prices drove up shares and tech stocks slumped.

The Saudi Arabian national petroleum and natural gas company, billed as the largest oil producing company in the world, was valued at \$2.42 trillion based on the price of its shares at close of market.

Apple, meanwhile, has seen its share price drop over the past month and was valued at \$2.37 trillion when official trading ended on Wednesday. The sinking share price came despite Apple reporting better-than-expected profits in the first three months of this year amid strong consumer demand.

But, Apple warned that the China Covid-19 lockdown and ongoing supply chain woes would dent June quarter results by \$4 to \$8 billion.

"Supply constraints caused by Covid-related disruptions and industry-wide silicon shortages are impacting our ability to meet customer demand for our products," Chief Financial Officer Luca Maestri said on a conference call with analysts.

The results looked good following stumbles by some Big Tech peers as growth from the stay-at-home demand amid the pandemic slows and companies confront rising operating and labor costs.

Oil giant Saudi Aramco recently reported a 124 per cent net profit surge for last year, hours after Yemeni rebels attacked its facilities causing a "temporary" drop in production.

3 Bangladeshis on list of 100



Sonia Bashir Kabir



Afeef Zaman



Morin Talukder

FROM PAGE B1
donor agencies, banks, telecommunications companies and students to mobilise and grow the company's initiatives.

At Microsoft, she worked to provide microloans to women to start IT businesses.

Afeef Zaman is an expert in problem solving in emerging markets, especially in his home country of Bangladesh.

He's the CEO of ShopUp, Bangladesh's largest full-stack business-to-business commerce platform for micro, small, and medium-sized enterprises.

With the venture, he decided to help entrepreneurs who run the country's 4.5 million

popular mom-and-pop stores but struggle to access the formal financial system due to a lack of digital presence.

Thanks to ShopUp, they can now access digital credit, B2B sourcing, logistics, and business management solutions.

After closing South Asia's largest funding round worth \$75 million in 2021, the company has just added to its funds with a \$34 million series B extension round.

Morin Talukder is the co-founder and CEO of Pickaboo, a Bangladesh-based e-commerce platform.

Though still in his 20s, Talukder is a seasoned expert in the booming e-commerce industry,

having founded the online shopping platform ehatbazaar.com in 2015, which he sold a year later to focus on Pickaboo.

During its six years of operation and five funding rounds, it has gained the confidence of its customers and now claims to be Bangladesh's most trusted e-commerce platform.

In order to stay competitive, Talukder has prioritised offering a high-speed delivery service with turnarounds of as little as three hours and has turned Pickaboo into one of the first e-commerce retailers in Bangladesh to introduce monthly payment plans and customer membership plans.

present our position to the commission on the day of the hearing. At present, we are doing our best to normalise the supply of oil in the market."

The competition commission's move comes more than a month after the Directorate of National Consumer Rights Protection found that the edible oil refiners and importers reduced supply in the market in March to fuel prices through an artificial shortage to make windfall profits.

Labour law to be

FROM PAGE B1
Bangladesh recently ratified ILO Convention 138 to fix the minimum working age at 14 years, said Elahi.

Addressing as chief guest, Industries Minister Nurul Majid Mahmud Humayun said incidents like the Nimtoli and Tazreen Fashions fire were eye-openers for the government to feel that widespread measures should be taken immediately to ensure industrial safety.

"Our industrial growth is fast. Earlier it was agro-based. Now it is heading towards industrial sectors very fast. We have also got big local markets for marketing in various food processing," he said.

The minister said the industrial sector, not only garments, including that of leather have tremendous potential in the world

market. "Our government is taking various steps, including those over safety. So many laws have been updated for labour safety," he said.

Bertrand Dagallier, principal administrator of the Organisation for Economic Co-operation and Development, delivered the keynote presentation.

Khondaker Golam Moazzem, research director of the CPD, delivered the opening remarks and ILO Country Director Tuomo Poutainen chaired the programme.

Among others, Ardashir Kabir, president of Bangladesh Employers' Federation, and Shamim Ara, chairman of National Coordination Committee for Workers' Education, were present as guests of honour.

Bangladesh 7th

FROM PAGE B1
which hosts a significantly larger share of South Asian migrants, were distinct from the US or Europe, it too supported a hike in remittance flows to South Asia in 2021, it said.

The global lender forecasted that as most South Asians in the US enjoy higher-income jobs, their potential to remit more is likely to be sustained in 2022 despite higher inflation.

Given the uncertain economic conditions, especially the expected slowdown in growth in the US, remittances to India are expected to grow at 5 per cent in 2022.

The report predicted

that remittances to Pakistan are likely to grow at 8 per cent to \$34 billion in 2022.

The report termed the remittance outlook for South Asia in 2023 as highly uncertain.

"While high-frequency data for all countries except India show growth in remittances slowing in South Asia, it is unlikely that the strong growth in remittances in South Asia in 2020 and 2021 can be sustained through 2023," it said.

In India, remittances are projected to grow at 5 per cent in 2023 and in Pakistan and Bangladesh, by 8 per cent and 2 per cent, respectively, the report predicted.

Renewed threats for economy

FROM PAGE B1
step from the authorities.

In July 2020, the government decided against purchasing new vehicles for the rest of 2020 as part of the austerity measures in the face of falling revenues due to the pandemic. It followed curtailing of 50 per cent of budgetary allocation for expenses of tours at home and abroad of officials and banned all routine travels.

As per forecasts, a recession will come towards the end of 2022 and most of the European countries, dependent mostly on Russia for their energy, will suffer, said Zahid Hussain, a former lead economist at the World Bank's Dhaka office.

"As Bangladesh's export market is excessively dependent on Europe, the shipment, which has bounced back from the pandemic, may be affected."

In Western Europe, the demand for low-skilled labour rose, and many Bangladeshi people are using the opportunities. This also might be impacted.

Many economists are forecasting a recession in the developed economies as the US economy already saw negative growth in the first quarter of 2022, said Rizwanul Islam, a former special adviser for the employment sector at the International Labour Office in Geneva.

In the US, the gross domestic product unexpectedly declined at a 1.4 per cent annualised pace in the January-March quarter.

"Whether another recession will hit or not,

the US growth is already stalled. So, it is bad enough to suspect that the major engine of the global economy is faltering," said Islam.

He says GDP growth in Europe was virtually nil and the growth in China also has dropped significantly. "This will create ripple effects on the rest of the global economy and it will include Bangladesh."

China is Bangladesh's biggest trading partner and the EU and the US combined are the largest export destinations. Islam said Bangladesh is already experiencing higher inflation and further price increases would make the situation more complex.

Prof Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, said the fear of stagflation in Europe and the US is growing.

"If the fear translates into reality and stagflation persists, Bangladesh's economy will be impacted." Stagflation is a situation in which the inflation rate is high, the economic growth rate slows, and unemployment remains steadily high.

Selim Raihan, executive director of the South Asian Network on Economic Modeling, thinks the economy will be impacted by the higher prices of import-based products and the plunge in demand for export goods.

"There are concerns about export growth." As Bangladesh exports readymade garments in the lower segment in most cases and these are basic items, the shipment might not be hurt to a large

degree, said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry.

He, however, pointed out that export earnings rose in the recent months because of the adjustment of the prices in line with the costs of raw materials.

"So, if you analyse the quantity and value-addition, it is not much higher."

Amid the worsening global scenario, Kenneth Rogoff warned: "Clearly, emerging markets and poorer developing economies will suffer mightily in the event of a global recession...I am not sure politicians and policymakers are up to the task they may soon confront."

CPD's Rahman urged the government to rationalise the exchange rate and bring efficiency to public expenditure.

Zahid Hussain recommends increasing competitiveness and incentivising export through a floating exchange rate.

"We need to remain alert rather than being alarmed," added Rizwanul Islam.

Prof Raihan called for removing all supply chain flaws so that none can gain unethically.

"The prices of commodities have already gone up. So, if businesses take undue advantage as they did in the case of edible oil, the problem will intensify."

FBCCI's Jashim urged the policymakers to prepare the upcoming budget in light of the present situation of the global economy.

8 companies sued for market

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The commission filed the cases after an independent investigation to ensure a competitive market.

The commission has the jurisdiction to sue the companies, an official of the commission told The Daily Star on condition of anonymity.

"The preliminary inquiry will hear the discrepancies found against the companies," he said.

The official went on to say that the commission's own investigating team monitored

the market and found that the allegations raised against the eight companies are primarily true.

The commission in a meeting on May 10 reviewed the report of the investigating team and took the decision to file cases, he added.

The Daily Star tried to reach one of the eight companies.

In response, Mohammad Dabirul Islam Didar, head of finance and accounts at Bangladesh Edible Oil Limited, said: "We will

Russia puts sanctions on Gazprom units in Europe, US

REUTERS, London

Moscow has imposed sanctions on the owner of the Polish part of the Yamal pipeline that carries Russian gas to Europe, as well as the former German unit of the Russian gas producer Gazprom, whose subsidiaries service Europe's gas consumption.

The entities on a list of affected firms on a Russian government website on Wednesday were largely based in countries that have imposed sanctions on Russia in response to its invasion of Ukraine, most of them members of the European Union.

The implications for gas supplies to Europe, which buys more than a third of its gas from Russia,

Energy prices rose on Wednesday as the European Union weighs a possible embargo on Russian crude

were not immediately clear. Eastbound gas flows continued via the Yamal-Europe pipeline from Germany to Poland, data from the Gascade pipeline operator showed.

Energy prices rose on Wednesday as the European Union weighs a possible embargo on Russian crude, while trading firms are set to cut activity with Russia when tighter EU rules on Russian oil sales come into effect on May 15.

Russian President Vladimir Putin decreed on May 3 that no Russian entity would be allowed to make deals with those on the sanctions list, or even fulfil its obligations under existing deals. The decree explicitly forbids the export of products and raw materials to people and entities on the list.

Russia's Interfax news agency said these comprised Polish pipeline owner EuRoPol Gaz, Gazprom Germania, and 29 Gazprom Germania subsidiaries in Switzerland, Hungary, Britain, France, Bulgaria, the Benelux region, the United States, Switzerland, Romania and Singapore.

Gazprom supplies much of its gas to Europe via the Yamal-Europe pipeline, and its various activities across and outside Europe are essential for the European gas market and its supply to

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H Ataur Rahman Akib poses for photographs with a fish he has caught with a fishing rod. The entrepreneur from Rajshahi started fishing when he was four and his passion prompted him to turn it into a business of selling fish baits. His baits are being exported to Asia and Europe.

PHOTO: COLLECTED

Turning a hobby into a full-time business

Akib's fishing baits being exported to Asia and Europe

ANWAR ALL, Rajshahi

H Ataur Rahman Akib started fishing he was four and he was largely focused on his hobby and making baits until 2018.

His passion took a new turn in the year when an amateur angler sent Akib Tk 2,000 and asked him to make baits for him. This was the beginning.

When demands for his baits rose, he turned his hobby into a full-time commercial business. He did not have to look back since then.

Today, Akib, who hails from Rajshahi, has a factory on the premises of his residence in the Thakurmara area in the northern city that manufactures eco-friendly baits for game fishing.

In the last four years, baits made by Akib's company, Primitive Fishing by Akib, have gained immense popularity across the country and also beyond borders.

The factory produces at least 14 types of baits.

All products are sold in various districts in Bangladesh and are exported to India, Pakistan, Nepal, Malaysia, and Europe, especially in the UK.

In 2019, he began by exporting 100 kilograms of baits, and this year the



shipment is likely to go up to several tonnes.

Among the baits, 'Current Char,' 'Ready Tope,' and 'Jafrani Chhatu' are the most popular.

A pheromone spray called 'Agunjo' is manufactured in the factory, the only such factory in South Asia.

"We have now taken steps to open our own outlets in India and New Zealand," said Akib in an interview with The Daily Star recently.

The entrepreneur says he has been fishing since he was four.

He studied at the Rajuk Uttara Model School and College in Dhaka and moved to New Zealand.

He obtained his master's degree in information

technology from the University of Auckland. He also received a diploma degree in the environment.

Akib began his career journey in New Zealand, but he had to return home in 2017 to take care of his elderly parents.

This was the time when he noticed that various types of native fish are getting lost due to unplanned fishing and ants are on verge of extinction due to the rampant use of their eggs in fishing.

The use of harmful chemicals in catching fish also did not go unnoticed.

Akib's experience in fishing abroad and knowledge about the environment helped him think differently.

"I started looking for alternatives," he said.

He learnt that ethical fishing practices are taking place in various parts of the world and found out that the elements in ant eggs that attract fish are also available in other natural objects. This led him to start making eco-friendly baits.

He opened a YouTube channel named -- Primitive Fishing By Akib -- and continued promoting his methods of fishing and preparing baits.

He received immense support from anglers, first from those living in Bangladesh and then from various states of India. Amateur anglers from other countries also started communicating with Akib.

He witnessed a large market for fishing baits waiting for him in the country and across the globe.

The year 2019 was a watershed in his life. He formed a game fishing club and joined the International Game Fish Association.

In the same year, he received official approval from the government as the country's first fishing baits manufacturer. He started exporting products as well.

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Happy marriage between management and accountants

MAHTAB UDDIN AHMED

A man piloting a hot air balloon discovers that he is hopelessly lost. He descends to a lower altitude and locates a man on the ground and shouts, "excuse me sir, can you tell me where I am?" The man below says, "yes, you are in a hot air balloon, about twenty feet above ground."

"You must be an accountant," says the balloonist and the man replies, "yes, I am. How did you know that?"



"Well," says the balloonist, "what you tell me is technically correct, but of no use to anyone." The man below says, "you must be a manager."

"Well, yes I am" replies the balloonist with a surprised look, "how did you know?"

"Well," says the accountant, "you don't know where you are, or where you're going, but you expect my immediate help. You're in the same position you were before we met, but now it's my

fault." Accountants are good at capturing the current state of a company but not the future. Accountants bring precision and discipline to the decision-making process but unfortunately, they don't have the precision of astrophysics. So when the numbers are taken too literally, things can go horribly wrong. Valuation of a company in terms of business prospects is both art and science. Any value is only as good as the assumptions that go into the model. It gets more complicated and sensitive when the valuation of tech-based companies/start-ups are done where cash-flow or profit may not be the key driver of valuation.

Even in capturing the current state of a company, the IAS (International Accounting Standard), IFRS (International Financial

Accounting and management are very closely related with diversified qualities. If these two groups complement each other, building on trust and respect, then business is bound to prosper

Reporting Standards) and local accounting standards allow sufficient freedom to the accountants in capturing various kinds of transactions. It also makes comparison of two companies' accounts in the same industry difficult.

If we take network assets for example, one company considers its economic life to be 10 years while another gives it 14 years. As a result, the latter company's profit and loss would look healthy at the cost of inflated assets in the balance sheet and as a management or investor, how much are you aware of the comparative impact?

The accounting is also impacted by the nature of negotiation, structuring of the deal/agreement etc. Let's take another real-life example where I got into trouble once as the other side did not have the same understanding.

If you buy a lift, there are three components to it. The lift body, the installation charges and the servicing. The first two is a part of capital expenditure while the servicing is a part of operating expenditure. If we buy each of these items separately the accounting is simple. If the deal is like that, you can buy a lift, including its installation charges and negotiated service voucher, for three years at no additional cost. This accounting could be done in multiple ways,

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How Sri Lanka's economy went into a tailspin

AFP, Colombo

Sri Lanka is suffering its worst economic crisis since its independence from Britain in 1948.

Months of lengthy blackouts and acute shortages of food, fuel and medicines have infuriated the public, with huge protests demanding the government's resignation turning violent this week.

AFP reviews the origins of the snowballing economic calamity in the South Asian island nation: Sri Lanka has spent big on questionable infrastructure projects backed by Chinese loans that added to its already unsustainable debt.

In southern Hambantota district, a massive deep-sea port haemorrhaged money from the moment it began operations, losing \$300 million in six years.

Nearby are other Chinese-backed extravaganzas: a huge conference centre, largely unused since it opened, and a \$200 million airport that at one point was unable to earn enough money to pay its electricity bill.

The projects were pushed by the powerful Rajapaksa family, which has dominated Sri Lanka's politics for much of the past two decades.

President Mahinda Rajapaksa was voted out of office in 2015 partly due to a backlash against his government's infrastructure drive, which was mired in graft claims.

His younger brother Gotabaya succeeded him four years later, promising economic relief and tough action on terrorism after the island's deadly 2019 Easter Sunday attacks.

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People buy vegetables at a market after authorities relaxed the ongoing curfew for a few hours in Colombo yesterday. The country of 22 million people is in its worst economic crisis since independence with severe shortages of food, fuel and medicines and long power cuts.

PHOTO: AFP

Siemens profits down as it plans Russia exit

AFP, Frankfurt

German industrial conglomerate Siemens said Thursday its profits were cut nearly in half in the second quarter as the group announced it would wind down its operations in Russia.

Siemens, which runs its business year from October to September, said in a statement that net profit fell to 1.2 billion euros (\$1.3 billion) in the period from January to March, from 2.4 billion in the same period last year.

Sanctions imposed on Russia following the invasion of Ukraine has cut Siemens' earnings by around 600 million euros as the German giant -- which makes products ranging from trains to factory equipment -- wrote down the value of its business in the region.

Siemens said its transport division, including rail service and maintenance, was particularly hard hit.