

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

READ MORE ON B2



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.

READ MORE ON B2

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,

READ MORE ON B2

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.

READ MORE ON B2



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.