

## Eastern Housing clocks Tk 55cr profit in FY22

STAR BUSINESS DESK

Eastern Housing Limited clocked Tk 54.91 crore net profit in the financial year of 2021-2022.

The company's earnings per share stood at 5.88 and the net asset value per share was Tk 74.71, a press release said.

The shareholders approved the accounts for the year that ended on June 30 and the directors' and auditors' reports at the 58th annual general meeting yesterday.

The shareholders approved a 20 per cent cash dividend, meaning Tk 2 per share of Tk 10 each for the year.

The company achieved net sales of Tk 331 crore as against Tk 264 crore in the previous year, registering a sales growth of 25 per cent.

Abu Luthfe Fazle Rahim Khan, a director, virtually presided over the meeting, where Suraiya Islam, Abdur Rahim Choudhury, Md Abdul Wadud and Mostafizur Rahman, directors, Md Rafiqul Islam and Kashem Humayun, independent directors, Dhiraj Malakar, managing director, Salim Ahmed, company secretary, and Md Asadul Islam, chief financial officer, were present.



MFS transactions usually pick up in the festival season and then drop in subsequent months, say officials.

PHOTO: STAR/FILE

# Transactions thru MFS drop for second month

MAHMUDUL HASAN

Transactions through mobile financial services (MFS) dropped for a second month consecutively in August as the festival season started to flatten amid the economic downturn.

The volume of transactions declined by Tk 1,723 crore to Tk 87,446 in August compared to Tk 89,169 crore a month earlier.

MFS transactions had reached Tk 94,293 crore in June, when Eid-ul-Adha was celebrated, according to the latest data from Bangladesh Bank.

However, the all-time high was Tk 107,460 crore in April, which was bolstered by the country's top shopping season of Eid-ul-Fitr.

Industry people mainly attributed the decline in July and August to the usual drop in transactions during the following months of a big festival.

"MFS transactions usually pick up in the festival season and then drops in subsequent months," said Zahedul Islam, head of corporate communications and external affairs at Upay.

Shamsuddin Haider Dalim, head of

corporate communications at bKash, echoed the same.

"Usually, the amount of transactions increases around various festivals, especially before every Eid, when customers make more purchases," he said.

As Eid-ul-Adha was celebrated at the beginning of July, transactions in June were much higher than the previous month of May.

"After that, the transaction volume returned to normal as before," Dalim added.

On year-on-year basis, the amount of MFS transactions increased by 18.5 per cent in August.

The transactions were made in the form of cash-in, cash-out, person-to-person transfers, merchant payments, government-to-person transfers, salary disbursements, talk-time purchases and utility bill payments using MFS platforms.

The amount of cash-out, where customers withdraw money from their MFS account, decreased by 9.46 per cent month-on-month to Tk 23,983.7 crore in August.

Meanwhile, merchant payments, where customers make purchases through their

MFS account, increased by Tk 86 crore month-on-month to Tk 3,034.8 crore at the same time.

Salary disbursements decreased 20 per cent to Tk 2,648.9 crore month-on-month in August while utility bill payments increased by Tk 17.82 per cent to Tk 2,262.3 crore.

About 18.32 crore users are registered with 13 MFS providers, up more than 20 lakh from July.

Gender-wise, 10.62 crore males use the service against 7.65 crore females, as per central bank data. There were 14.93 lakh MFS agents across the country as of August.

Although the number of accounts surpassed the 18-core mark in July, the number of active unique users is far less, less than half of the official figures, according to experts.

The MFS providers are Rocket, bKash, MYCash, Islami Bank mCash, Trust Axiata Pay, FSIBL FirstPay SureCash, Upay, OK Wallet, Rupali Bank SureCash, TeleCash, Islamic Wallet, Meghna Bank Tap n' Pay, and Nagad.

Dalim went on to say that Bangladesh's MFS industry is growing at a significant

pace.

"MFS providers like bKash are bringing a diverse range of innovative services every day, creating convenience and empowerment by enabling customers in their daily financial transactions, and expanding the digital ecosystem at large," he said.

"At the same time, integration with banks and other financial institutions is yielding more customer-focused services," Dalim added.

The head of corporate communications at bKash then said a notable takeaway for bKash is its continuous integration with banks and financial institutions, due which financial inclusion has gained momentum.

Many customers who were left out of financial services due to the obligation of transacting during limited working hours are now doing various types of transactions digitally by adding money from bank to bKash anytime from home.

Currently, customers can avail the digital nano loan, savings and Islamic savings of banks and financial institutions, and other services through the bKash app, he added.

## Lankan wood coating firm starts production here

STAR BUSINESS REPORT

JAT Holdings PLC, a wood coatings company of Sri Lanka, started local manufacturing in September to grab the market in Bangladesh.

The company set up a manufacturing facility at Birulia in Savar.

JAT first set foot in Bangladesh in 2003. Since then, the conglomerate has expanded to take the lead in the local market, a position it has held for more than 20 years.

The Lankan company has so far invested \$1 million in Bangladesh and it started commercial production on September 22.

However, the manufacturing facility's official launch took place yesterday.

JAT Holdings Group CEO/Executive Director Nishal Ferdinando, Director for Sales and Technical Wasantha Gunaratne, Country Head for Bangladesh Ranga Abeyakoon, and General Manager for Marketing Dilshan Rodrigo were among the members of JAT's senior management team who were present at the event.

At the launch, JAT Holdings Group CEO Nishal Ferdinando said: "Sri Lanka and Bangladesh have come together for the first time in history to manufacture world-class wood coating products."

"It is our company's first wholly-owned and independently-run manufacturing facility outside of Lanka. JAT's journey to being a major brand in South Asia officially begins with this," he said.

Ranga Abayakoon, country head for Bangladesh, said: "With the launch of a new manufacturing plant in Dhaka, Asia Coatings has immediately created over 100 new employment opportunities, marking a significant milestone in the company's mission to dominate the wood coating market in Bangladesh."

## Atlas Bangladesh suffers loss of Tk 4.87cr

STAR BUSINESS REPORT

State-run bike manufacturer Atlas Bangladesh Ltd suffered a loss of Tk 4.87 crore in the last financial year that ended on June 30.

The loss stood at Tk 10.24 crore in 2020-21.

The state-run enterprise reported negative earnings per share of Tk 1.47 for the last financial year against Tk 3.09 in negative in 2020-21.

The net asset value per share fell to Tk 126 from Tk 128 while the net operating cash flow per share was a positive Tk 0.78 against Tk 3.24 in negative in 2020-21.

The board of directors did not recommend any dividends for 2021-22.

In the July-September quarter, the state-owned enterprise incurred a loss of Tk 2.15 crore, against a loss of Tk 1.13 crore in the identical quarter of 2021.

The EPS was Tk 0.65 in negative for July-September versus Tk 0.34 in negative in the same quarter last year.

Shares of Atlas Bangladesh were unchanged at Tk 104.20 on the Dhaka Stock Exchange yesterday.

## Tumbling gas prices fail to subdue energy bills

AFP, United Kingdom

European wholesale gas prices have fallen from record peaks reached after producer Russia's invasion of Ukraine, but energy bills remain sky high despite government help aimed at easing consumers' pain.

In Britain and the European Union, the impact of soaring gas and electricity bills has been cushioned to an extent by state aid measures that seek to soften the blow of decades-

high inflation. But consumers still face unusually high bills, even if the worst of the winter has yet to come in the northern hemisphere.

"Energy bills will go down but there is a lag in the reaction because the utilities buy forward on the wholesale market a lot of the energy they then sell to the end-users," said Georgi Slavov, analyst at financial group Marex.

"This means that the extortionate prices we saw in the last three-six

months have not fully gone through the system yet," he told AFP.

Slavov added that "unless something bad happens again between now and January, we expect consumer prices -- including headline inflation -- to start falling in the first quarter of 2023".

Unusually warm autumnal temperatures have reduced demand and allowed most European nations -- though not Britain -- to ramp up gas storage.

## Unsold yarn piles up

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millers could run their operations at full capacity with adequate gas pressure, industry insiders say.

Because of the sales drop, the primary textile sector, which has seen an investment of about \$20 billion so far, has come under major threat.

In some cases, the sales of yarn have dropped by more than 50 per cent over the last two months for the economic crisis in major export destinations in Europe.

Currently, local spinners can supply 90 per cent of raw materials to the knitwear sector and 40 per cent to the woven sector, Bangladesh's two

biggest export-earning segments.

In recent years, the demand for locally spun yarn and fabrics has grown among manufacturers as domestic production has allowed them to cut long lead time.

At least 30 additional days are required for garment exporters if they ship goods made from imported fabrics from China.

Despite the country sitting on a huge volume of yarn, some manufacturers are importing the textile raw material from other countries like India, hurting the local industry, a number of millers say.

This led them to demand the

government take steps to stop the import of yarn with a view to protecting the domestic industries and the foreign currency reserves.

Mohammad Ali Khokon, president of the BTMA, said the primary textile sector is facing a multipronged challenge for the Russia-Ukraine war, higher inflation in Europe and the gas crisis in Bangladesh.

He demanded a 90-day additional time for the payment of loans under the central bank's Export Development Fund so that millers can weather the impacts of the unsold yarn.

## Stocks manipulation

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investor was found to be involved in such a trading behaviour in the previous year.

In 2019, the regulator found that Bangladesh Commerce Bank, Padma Glass, Getco Telecommunication, Mondol Fabrics, and Alif Textiles were involved in manipulation.

When contacted on Tuesday over the phone, Golam Awlia, managing director of NBR Commercial Bank, told The Daily Star that he would talk about the issue later. However, he did not receive the phone despite multiple attempts.

Mohammad Jahidul Abedin, chief financial officer of Paramount Group, said they had bought the shares of National Feed Mills considering the company's potential around one year before the investigation was conducted. "During the probe period, we sold the shares as the price was higher," he said.

He admitted that some mistakes took place during the trading period and they were unintentional. "We are now alert so that such mistakes do not repeat."

About the involvement of Southeast Bank Capital Services in manipulation, M Kamal Hossain, managing director of Southeast

Bank, said as per his knowledge, the issue is under investigation, so he declined to comment.

When he was informed that the investigation was over, Hossain said he did not know anything about it.

AB Mirza Azizul Islam, a former finance adviser to the caretaker government, said: "The involvement of firms in stock manipulation is not a good sign for the market as it will discourage good investors."

"As per rules, the BSEC should hand the highest punishment to manipulators to root out the irregularities. If possible, criminal cases should be filed."

The involvement of institutional investors in manipulation will dent investors' confidence, according to Mohammed Helal Uddin, a professor of the economics department at the University of Dhaka.

"As manipulation can't be detected all the time, they keep taking place as the people responsible think that they would not face any punishment. If it is detected, the level of punishment is lower than the gains made from the illegal practices."

"As a result, manipulators don't correct themselves and they feel more encouraged."

Mohammad Rezaul Karim, a

spokesperson of the BSEC, said the regulator is focusing on ensuring accountability.

"If anyone breaks rules, it is being detected and the wrongdoers are being punished. Hopefully, the incidence of illegal practice will go down."

He added that some high-net-worth individuals and firms claimed that they carried out serial trading unintentionally.

"So, we are raising awareness among them."

## India allows int'l trade settlements in rupee

REUTERS, New Delhi

The Indian government on Wednesday allowed international trade settlements in Indian rupees for export promotion schemes under foreign trade policy.

"The government of India has made suitable amendments in the Foreign Trade Policy and Handbook of Procedures to allow for international trade settlement in Indian rupees," the statement said.

## Digital means can halve

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exports to earn more remittance.

In addition, digital literacy should be ensured among migrant workers so that they can send remittance home through legal channels using electronic platforms instead of turning to hundi operators, he said.

Most migrant workers from the country do not have any knowledge on digital money transfers and so, they depend on illegal channels to send funds.

As a result, the hundi operators are getting a portion of the money while Bangladesh is being deprived of remittance, Mansur added.

M Masrur Reaz, chairman of the Policy Exchange of Bangladesh, said global service exports grew 18 per cent last year while merchandise exports grew 3 per cent at the same time, which indicates the potential of the service exports.

"Japan, Jordan, Bulgaria, Poland, Romania and even Russia have been hiring a lot of manpower and Bangladesh should send workers to those destinations," he added.

Bangladeshis who live in North American countries have digital

money transfer knowledge so they send money through legal channels using digital systems, said Sheikh Md Monirul Islam, chief external and corporate affairs officer of bKash.

On the other hand, expatriates who work in Middle Eastern countries either use banking channels, agents or hundi to send money.

As a result, the country does not get remittance at the expected level from this region, he said, adding that of 1.3 crore Bangladeshi expatriates, 70 lakh live in various Middle Eastern countries.

Mohammed Monirul Moula, managing director and chief executive officer of Islami Bank Bangladesh, said the launching of interoperability in receiving remittance may solve the problem to a great extent.

Planning Minister MA Mannan said people are reluctant to send remittance through banking channels due to their negative attitude towards such institutions.

"Remitters are scared as they are not accustomed to visiting banks regularly," he added.

Moreover, the weekly holiday system in Bangladesh deters migrants

from sending funds through banks. This is because the public holidays are on Friday and Saturday in Bangladesh while it is Saturday and Sunday in other countries.

Sharmind Neelormi, a professor of economics at Jahangirnagar University, said that if it is possible to facilitate an easier and quicker way to send money through digital platforms, then remitters would opt for electronic channels.

"It is necessary to recognise the people who earn remittance working from Bangladesh while the definition of migrant workers also needs to be sorted out," Neelormi added.

Md Iskandar Mia, former executive director and deputy head of the Bangladesh Financial Intelligence Unit, said necessary initiatives should be taken to bring remittance of illegal migrant workers through legal channels.

"For that, engaging mobile financial service agents could be a solution. It is also important to take steps to stop money laundering," he added.

ERF President Sharmeen Rinvy chaired the event, moderated by ERF General Secretary SM Rashidul Islam.