



Maersk has partnered with Vertex Off-Dock Logistics Services Limited to commission the new three-storied facility. The lift, conveyor belt and slider-operated warehouse will ensure higher productivity.

PHOTO: STAR/FILE

## Pharma Aids' profit down 30pc in FY22

STAR BUSINESS REPORT

Pharma Aids Limited made a profit of Tk 3.48 crore in the last financial year that ended on June 30.

The profit, however, was down more than 30 per cent from Tk 5.03 crore registered in 2020-21.

The manufacturer and supplier of pharmaceutical glass ampoules reported earnings per share of Tk 11.14 for the last financial year, a decrease from Tk 16.11 in 2020-21.

"The EPS significantly decreased mostly due to the deferred tax expense and tax liability, provision for bad debt expenses, changes in accounting estimates with respect to provision for gratuity, and write-off of an unsettled VAT case that was shown as an asset in prior years," said the company in a filing on the Dhaka Stock Exchange.

The board of directors has recommended a 50 per cent cash dividend for 2021-22.

Shares of Pharma Aids were unchanged at Tk 790.70 on the DSE yesterday.

# Maersk builds warehouse to expand capacity

STAR BUSINESS REPORT

Maersk is building a 100,000-square-foot warehouse in the port city of Chattogram to expand its capacity, said the global shipping services company.

The three-storied facility is expected to go live by next month and will help address the warehousing capacity crunch faced by exporters out of Chattogram.

With this new warehouse, Maersk's total warehousing footprint in Bangladesh will cross 300,000 square feet for its customers from early 2023, said the company in a press release recently.

"The upcoming facility is strategically located close to the Chattogram Port and easily connected to the Dhaka-Chattogram Highway through the Outer Ring Road and the Karnaphuli Tunnel, giving easy access to Bangladesh's garment exporters based out of the nearby manufacturing hubs."

Bangladesh is witnessing impressive growth in garments exports. However, the warehousing footprint in Chattogram has not increased proportionally.

This led the logistics company in

February this year to team up with Ispahani Summit Alliance Terminals Ltd to establish a 200,000-square-foot warehouse. The facility was partially opened in August.

Its second phase will open in a week's time and the rest by the end of 2022, said Maersk.

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The company declined to disclose the investment amount involved.

The last two to three years have been extremely challenging for Bangladesh's exporters. The Covid-19 pandemic caused many disruptions in the supply chains.

The acute imbalance in demand and supply of goods, bottlenecks in the logistics ecosystem, displaced workforce and congestion at major ports and warehouses led to unforeseen challenges

in Bangladesh, said Angshuman Mustafi, head of Maersk Bangladesh.

"However, the pandemic also presented us with the opportunity to have meaningful dialogues with our customers and look into the future. We realised that the demand for warehousing space was rising and decided to undertake measures that could address this requirement proactively."

Maersk has partnered with Vertex Off-Dock Logistics Services Limited to commission the new three-storied facility. The lift, conveyor belt and slider-operated warehouse will ensure higher productivity. Internal and external parking facilities will allow for a higher number of trucks and vans to be accommodated within the warehouse.

Imran Fahim Noor, managing director of Vertex Off-Dock Logistics Services, said they are building the facility that has a modern integrated installation.

"By building efficient warehouses, we are catering to the demand of the country's exporters and addressing their requirements to the level of international standards."

## '5G tech to empower digital transformation'

STAR BUSINESS REPORT

The 5G technology is poised to empower digital transformation across all sectors, said John Hoffman, CEO of telecom industry organisation GSMA.

"One of the key missions of 5G in the coming years is to empower digital transformation across all sectors," he said.

In order to achieve the goals, industries need to explore many different application scenarios to move 5G from an optional to a must-have technology.

He was speaking at the 5G Summit and User Congress 2022 at Lake Maggiore in Stresa, Italy recently.

Officials of ZTE Corporation said at the event that the telecom industry can benefit from its 5G solutions as its innovative connection technologies have integrated smart digitalisation into all the aspects of life, according to a statement.

"In the future, digital world and real world will interact with each other on a larger scale, breaking the dimensional space, and gradually evolving into a new era of deep and seamless connection," said Xiao Ming, senior vice president of ZTE.

## Dragon Sweater posts lower profit

STAR BUSINESS REPORT

Dragon Sweater and Spinning Limited posted a 5.17 per cent year-on-year decline in profit in the financial year of 2021-22.

The export-oriented apparel manufacturer made a profit of Tk 23.18 crore in 2021-22, which was Tk 24.45 crore in 2020-21.

The company reported earnings per share of Tk 1.10 in 2021-22. It was Tk 1.16 a year earlier.

The net asset value per share rose to Tk 17.67 in the last financial year from Tk 16.88 a year ago, while the net operating cash flow per share fell to Tk 0.002 from Tk 0.429 during the period.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (NOV 10, 2022)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 62-Tk 72	-3.60 ↓	6.35 ↑
Coarse rice (kg)	Tk 46-Tk 52	-2.00 ↓	3.16 ↑
Loose flour (kg)	Tk 60-Tk 62	7.96 ↑	79.41 ↑
Lentil (kg)	Tk 100-Tk 105	5.13 ↑	17.14 ↑
Soybean (litre)	Tk 170-Tk 175	7.81 ↑	21.05 ↑
Potato (kg)	Tk 24-Tk 28	0	4.00 ↑
Onion (kg)	Tk 50-Tk 55	31.25 ↑	-8.70 ↓
Egg (4 pcs)	Tk 44-Tk 47	-6.19 ↓	21.33 ↑

SOURCE: TCB

# Can Ukraine's grain deal ease the global food crisis?



REUTERS, London

A deal to free-up vital grain exports from Ukraine expires on November 19 and intense negotiations over the next few days will determine whether it is extended and possibly even expanded to help ease concerns about global food security.

The agreement, reached in July, created a protected sea transit corridor and was designed to alleviate global food shortages by allowing exports to resume from three ports in Ukraine, a major producer of grains and oilseeds.

The pact created a safe shipping channel for exports from three ports in Ukraine.

So far, some 10.1 million tonnes of agricultural products have been shipped, including 4.3 million tonnes of corn.

Shipments of wheat have reached 2.9 million tonnes, or 28 per cent of the total. Other commodities shipped include rapeseed, sunflower oil, sunflower meal and barley.

Ukraine wants the agreement expanded to include more ports.

The three ports involved in the deal - Odesa, Chornomorsk and Pivdennyi - have the combined capacity to ship around three million tonnes a month.

Ukraine wants the agreement to include the ports of the southern Mykolaiv region, which provided 35 per cent of Ukrainian food exports before Russia's invasion.

Mykolaiv was Ukraine's second-largest grain terminal according to 2021 shipment data so its addition

would allow for a much larger volume of grains and oilseeds to be shipped.

Ukraine is also seeking a one-year extension of the deal and a streamlined inspection regime.

Russia has said its consent to extend the Black Sea grain deal depends on support for its own grain and fertiliser exports. Russia is a major agricultural producer and the world's largest exporter of wheat.

Moscow has not detailed its demands publicly but is believed to want the West to ease restrictions on state agriculture lender Rosselkhozbank, a move that should help facilitate more Russian exports.

A drop in shipments from major exporter Ukraine has played a role in this year's global food price crisis, but there are also other important drivers.

These include the Covid-19 pandemic and the climate shocks which continue to challenge agricultural production, mostly recently droughts in both Argentina and the United States.

The corridor has led to a partial recovery in shipments from Ukraine but they remain well below pre-invasion levels and will not fully recover for the foreseeable future.

Transporting grains to ports there remains challenging and expensive, while Ukrainian farmers have reduced sowings of crops such as wheat after in many cases selling last year's crops at a loss, with domestic prices remaining very low.

Prices of wheat on the Chicago Board of Trade rose sharply in the aftermath of Russia's February 24 invasion of Ukraine but are now around pre-conflict levels.

Ukraine's ability to export millions of tonnes of wheat through the corridor has been one element

driving down prices.

Other factors include a record crop in major exporter Russia this year, the gloomy global economic outlook and a strong dollar.

But prices for wheat-based food staples such as bread and noodles remain well above pre-invasion levels in many developing countries despite the decline in Chicago futures, due to weak local currencies and higher energy prices which have raised costs such as transport and packaging.

Russia and Ukraine accuse each other of planting the many naval mines that now float around the Black Sea. These pose a significant threat and were cited as the one thing feared by a crew member on the Sierra Leone-flagged Razoni, the first ship to pass through the corridor on August 1.

The mines have drifted far from Ukraine's shores, with Romanian, Bulgarian and Turkish military diving teams defusing some that have ended up in their waters.

It could take months to clear them and there was not enough time to do so before the grains pact came into effect.

The Istanbul based Joint Coordination Centre, which oversees the deal and is made up of Turkish, Russian, Ukrainian and UN officials, in August published procedures on the shipping channel, which aims to alleviate concerns of insurers and shipowners.

Insurers initially said they were willing to provide cover if there were arrangements for international navy escorts and a clear strategy to deal with sea mines.

Since then, they have created clauses for providing cover, including provisos that ships need to stay inside

the corridor when transiting or risk invalidating their policies.

Following the July 22 agreement, Lloyd's of London insurer Ascot and broker Marsh set up a marine cargo and war insurance facility for grain and food products moving out of Ukrainian Black Sea ports with \$50 million cover per voyage.

The cost of overall insurance for ships sailing into Ukrainian ports - which includes separate segments of cover - is nevertheless likely to remain steep.

In September, Ukraine implemented a decree allowing its seafarers to leave the country despite wartime restrictions, a move aimed at freeing up vital manpower for both Ukrainian grain exports and the wider global shipping industry.

At the start of the conflict there were around 2,000 seafarers from all over the world stranded in Ukrainian ports.

The International Chamber of Shipping association estimated that figure had fallen to some 346 mariners as of October 27.

## Power Grid

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was Tk 129.72 crore during the identical period a year earlier.

Thus, it reported an EPS of Tk 1.46 in the quarter. It was Tk 1.82 a year ago.

"The EPS decreased due to an increase in expenses," said Power Grid Company in a filing on the Dhaka Stock Exchange.

The state-run company's shares closed at Tk 52.40 yesterday, unchanged from a day earlier.

# India weighs steps to cool record wheat prices



REUTERS, New Delhi

Soaring wheat prices in India could prompt price-cooling measures such as the release of state reserves into the open market while axing the 40 per cent tax on imports, trade and government sources said on Thursday.

The government has been trying to rein in food inflation, but its efforts have been complicated by wheat prices that have climbed to record highs.

Stung by a sudden drop in crop yields, India banned exports of the grain in May.

Market arrivals from the previous harvest, meanwhile, have slowed to a trickle as farmers have run out of stocks, growers and traders said.

Local wheat prices jumped to a record 26,500 rupees (\$324.18) a tonne on Thursday, up nearly 27 per cent since the May ban on exports.

"Demand is robust, but supplies are dwindling," said Mansukh Yadav,

a wheat trader from the central Indian city of Indore. "Prices are rising and will remain firm until the new-season crop starts next year."

India, which is the world's second-biggest wheat producer but also the biggest consumer of the commodity, could consider offloading state stocks in the market for bulk consumers such as flour and biscuit makers to reduce prices, government sources said.

"We are monitoring the price situation closely and we will intervene," said one of the sources, who asked not to be identified so not to breach official rules. "The key question is how much stock do we need to release."

Traders said New Delhi could not release massive stocks owing to low inventories.

At the start of October wheat stocks in state warehouses totalled 22.7 million tonnes, down from 46.9 million tonnes a year earlier, after 2022 domestic wheat purchases fell 57 per cent.