Yeakin Polymer's loss extends in FY22

STAR BUSINESS REPORT

Yeakin Polymer Limited suffered a loss of Tk 5.23 crore in the financial year that ended on June 30.

The loss stood at Tk 4.05 crore a year earlier.

Thus, the manufacturer of PP woven bags, garments accessories and household plastic products reported earnings per share of Tk 0.71 in negative for FY22 against a negative Tk 0.55 in FY21.

"The EPS decreased due to the effects of the Covid-19 pandemic, the Russia-Ukraine war, the shortage of working capital, drop in sales and increase in raw material costs," said Yeakin Polymer in a filing on the Dhaka Stock Exchange.

The net asset value per share declined to Tk 6.16 in the last financial year from Tk 11.12 in FY21. The net operating cash flow per share stood at Tk 0.01 in negative for the last financial year against Tk 0.80 a year ago.

The NOCFPS decreased significantly due to the raw material supply crises in the local and international markets, the purchase of most of the raw materials locally in cash, slow receivable recovery, and the working capital shortage.

The board of the company recommended no dividend for FY22.

Shares of Yeakin Polymer closed unchanged at Tk 19.20 on the DSE yesterday.

Maize, once an alien to Bangladesh, is now the country's second biggest cereal crop after rice. Prices rose 25 per cent year-on-year to a record Tk 30 per kilogramme during the harvesting period this year. PHOTO: KONGKON KARMAKER

Maize production to rise as high prices drive planting

SOHEL PARVEZ

Bangladesh is expected to produce more maize this year as farmers, encouraged by profitable prices, have planted the coarse grains on an increased area of land.

The Food and Agriculture Organization (FAO) earlier this month forecasted that the country would bag 48 lakh tonnes of the coarse grains in 2022, up 2 per cent from a year ago.

The amount is 30 per cent higher from the five-year average of 37 lakh tonnes, the UN agency said, adding that remunerative prices of maize and continued strong domestic demand for the grains drove expansion in the area planted.

It also raised projections for increased production of the coarse grain in China, India, Indonesia, Thailand and the Philippines.

"Farmers are satisfied with the prices from the last harvest of maize. So, we expect production to go up," said Md Mizanul Hoque, senior vice President of the Maize Association of Bangladesh (MAB).

Prices of maize, the main ingredient for poultry, fish and livestock feed, rose 25 per cent year-on-year to a record Tk 30 per kilogramme during the harvesting period this year, he added.

In October 2022, the wholesale and retail prices of maize reached Tk 32.9 and Tk 34.5 per kilogramme respectively, their highest levels since 2016, said the US Department of Agriculture in its October issue of Grain and Feed update on Bangladesh.

The wholesale and retail prices of corn in October 2022 were approximately 21 per cent and 33 per cent higher respectively compared to the same period last year, it added.

Buoyancy in prices is expected to continue in the coming harvest too as supply concerns from the international market will remain because of the Russia-Ukraine war, Mizan said.

Bangladesh requires around 70-75 lakh tonnes of maize for feed making, partial human consumption and starch making. Poultry farms are the largest feed consumers in Bangladesh, and corn accounts for 50 to 60 per cent of the raw materials of poultry feed, said the US Department of Agriculture in a report.

Millers import 20-25 lakh tonnes of maize mainly from India, Brazil and Argentina to meet the domestic requirement, of which around 60 per cent is locally produced, according to industry operators.

The country has to spend around $660 million annually to import the grain, said Mizan in a paper presented at an event earlier this month.

Maize, once an alien to Bangladesh, is now the country's second biggest cereal crop after rice.

"Farmers consider corn a cash crop due to its good yield potential and high market price," said the USDA.

Winter is the main season to grow the crop planted in November-December while a small portion is grown in summer.

For this current winter, the Department of Agricultural Extension (DAE) targets to ensure cultivation of the grain on 4.63 lakh hectares from 4.62 lakh hectares the previous fiscal year.

Badal Chandra Biswas, additional director of monitoring and implementation at DAE's Field Service Wing, said farmers already planted maize on 3 lakh hectares until now.

"The maize fields look wonderful so far. Many farmers have switched to maize from other crops. The grain has also been cultivated on fallow lands of various organisations ," he said.

Mizan said growers will plant the cereal until the end of December.

"We see robust growth in cultivation in the char lands in the north and central districts," he said, adding that planting will increase by up to 30 per cent in the char areas this year.

Maize area will increase in the main land too, he added.

"Farmers are planting the maize timely this year and weather looks favourable so far," he said.

Germany commits fresh €191m grant

STAR BUSINESS REPORT

Germany has made commitments of extending 191 million Euro in grant to Bangladesh at the latest round of Bangladesh-German Development Cooperation Negotiations 2022.

With the new commitment, the amount now stands at 275.1 million Euro or around Tk 2,916 crore since the last government to government negotiations, the German embassy said in a statement yesterday.

Since 1972, the overall amount reaches more than 3.2 billion Euro, according to the statement.

The two-day bilateral negotiations on development cooperation started on December 7.

Sharifa Khan, secretary of the Economic Relations Division, headed the Bangladesh delegation at the meeting where Barbara Schäfer, head of division for South Asia in the German Federal Ministry for Economic Cooperation and Development (BMZ), headed the German team.

Schäfer, in her opening statement, said: "I would like to highlight that Germany welcomes Bangladesh's decision to give up plans to construct new coal-fired power plants and explore the possibilities of alternative sources for energy generation."

The two parties discussed issues of development cooperation, including climate change and energy, training and skills development, biodiversity, human rights and good governance.

The two delegations had an open exchange of views on ongoing projects and programmes for financial, technical and future development cooperation.

Unilever students' top employer of choice

Says Stockholm-based agency

STAR BUSINESS DESK

Unilever Bangladesh has been ranked as the most preferred employer based on a survey conducted by Universum, a Stockholm-based employer branding agency.

The survey was conducted on the Bangladesh undergraduate talent market by the global consulting firm, who provide services to over 2,000 organisations worldwide, including many Fortune 500 companies.

Published on December 7, the survey shows that Unilever Bangladesh has been voted as top employer of choice among final year university students.

For students who have graduated or are nearing graduation to join the workforce by early next year, Unilever is the company they would see as their dream employer.

The students placed Unilever higher in rank for opportunities to work with Unilever's consumer brands and serve the Bangladesh market, the scope of accelerated career and leadership development, and its work environment.

In this regard, Sakshi Handa, human resource director of the multinational company, highlighted Unilever's global commitment towards youth skills development and employability.

"Receiving this recognition is humbling; we take this privilege as a responsibility trusted upon us by our future leaders and will continue with our drive to provide youth with exciting and meaningful work," she said.

IT firms grapple with unskilled labour

FROM PAGE B1

As the pandemic pushed up the demand for IT services since people embraced more of the digital lifestyle, some companies rushed to hire and train freshers to churn out required products.

Brain Station 23, a software firm in Bangladesh that doubled the number of employees to about 670 since the pandemic, hires newbies and trains them to get prepared for the industry.

"We recruit freshers and train them for four months. After the training, eligible ones join us permanently. We have followed such a process since the beginning. But we have scaled it up because of the shortage of manpower," said Raisul Kabir, chief executive officer of Brain Station 23.

Brain Station 23 has recruited 65 freshers this year alone.

But funding such training processes is difficult for small-sized IT firms, jeopardising their future growth, according to industry people.

They said the shortage of human resources in the IT industry puts at risk the country's target of attaining $5 billion from IT exports by 2025, which was about 10 times current receipts.

"There are 2 lakh to 2.5 lakh people working in the country's IT industry. But to reach the export target we need more than 4 lakh trained people," said AKM Fahim Mashroor, chief executive officer of bdjobs.com, a job portal.

He said universities would not be able to deliver such a large human resource since they approximately supply 21,000 IT engineers per year.

"Besides, most companies demand readily employable 'experienced' resources. Since the average size of companies is small, they are not ready to train fresh graduates and make them employable as it costs them a lot."

According to bdjobs.com, 91 per cent of job postings for IT engineers require experience.

Mashroor urged the government to create a special fund to help IT companies falling under the small and medium enterprise (SME) category hire fresh graduates and ease the workforce shortage.

Industry people say IT companies are facing the biggest shortage of human resources at the mid-level as a good number of mid-level employees, after working for three to four years in local IT firms, migrate to other countries for better job opportunities.

They say human resource shortages are palpable in the segments such as coding (front end, back end, application programming interface) database software architecture, design and project management.

Julian Weber, CEO of SELISE Digital Platforms, which has innovation, consulting and IT delivery centres across Europe, the Middle East and Asia, explains the reasons for the brain drain from Bangladesh in a different way.

"There is a lack of confidence in Bangladesh for many youngsters to stay in the country for a long term. They have no vision here. They see their vision abroad," he said at an event in Dhaka recently.

"They say if they go to Malaysia, they would earn the same amount of money there, but they would be able to afford a car there."

Youngsters are encountering problems related to traffic, taxes and bureaucracy in Bangladesh, which are discouraging them from staying here, according to Weber.

He, however, acknowledged that the quality of IT education at universities in Bangladesh has improved a lot.

"The freshers that we are getting now are of much higher quality compared to five years ago. But universities are trying to overload the curriculum," said Weber.

The shortage of skilled workforce raises questions about the effectiveness of the government's large expenses aimed at training people with digital skills.

"Ministries have gone for big spending to develop the ICT skill of people. Now the time has come to assess and evaluate how many people have really got jobs thanks to these initiatives," said Mashroor.

"But from what we are witnessing in the market we can say that the investment has largely been wasted."

Poor mobile network

FROM PAGE B1

areas had been noticed around one year ago. It's not only the problem of the port city but also other cities of the country," he said.

"We've inspected the mobile operators' systems in August and identified overloaded BTS (base transceiver stations, which connect mobile devices to the network)," he said.

A total of 2,017 sites of Grameenphone, 1,760 of Banglalink, 1,611 of Robi and 606 of state-run Teletalk sites have been identified where a huge number of call drops take place, he added.

"We have asked the operators to fix the problem within three months and we asked them to increase the towers (BTS)," said Kabir.

Two students pointed out that customers concerned were not being notified when operators were cancelling SIM registrations and reselling those for remaining off the network for 180 consecutive days.

In response, Brig Gen Md Nasim Parvez, the DG of the BTRC's Systems and Services Division, said, "SIMs are not anyone's private property as it belongs to state. If you want to remain active please recharge it timely."

"We will ask the mobile operators to notify SIM owners before cancellation," he added.

BTRC Chairman Shyam Sunder Sikder chaired the hearing while Legal and License Division DG Asish Kumar Kunda and Spectrum Division Director Lt Col Awal Uddin Ahmed also responded to questions.

PPP investment far lower than required

FROM PAGE B1

sectors or with its financial markets.

Later at a panel discussion organised by the ADB, Nihad Kabir, a former president of the Metropolitan Chamber of Commerce and Industry, said there had been reluctance among large foreign investors to come into PPPs in Bangladesh by forming joint ventures with local partners because they are not confident about the capacity of Bangladeshi firms.

"Now is the best time to update the PPP guideline as the country has a PPP Act for more than a decade. The updating is needed to improve efficiency as some internal delays are not helping realise the full potential of PPP."

The chairperson of the Business Initiative Leading Development, a public-private dialogue platform, suggested involving all ministries to attain the potential of PPP.

Md Abul Bashar, director-general of the PPP Authority, said the ownership is a major challenge in the PPP projects as both parties want to control it.

Muhammad Ibrahim, secretary to the local government engineering department, said the government alone can't finance PPP projects.

"The private sector's participation is required to implement the projects in the smaller towns."

Md Humayun Kabir, secretary to the railways ministry, said the ministry is working to shift Kamalapur Inland Container Depot to Dhirashram in Gazipur and a depot is being constructed there under the PPP model on 4,000 acres of land.

Alamgir Morshed, chief executive officer of Infrastructure Development Company Limited, suggested utilising the potential of the Bangladeshi diaspora to meet the financing demand in PPP projects.

He called for launching offshore bonds, insurance and other bonds to diversify the sources of funds as local banks can't be seen as a source for long-term financing.

Sukesh Chandra Gain, senior vice-president of NephroPlus of India, the largest network of dialysis centres in the neighbouring nation, said more than 40 per cent cost of dialysis could be reduced in Uzbekistan after taking some projects there under the PPP arrangement.

Masrur Reaz, chairman of the Policy Exchange of Bangladesh, moderated the discussion.

NBR to expedite transition to automated VAT

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Muneem said more training of officials, who are implementing the automation venture, is needed.

The government took the VAT Online Project with the finance from the World Bank in 2013 to implement the VAT and Supplementary Duty Act 2012, and end the manual system and more than two-decade-old VAT laws.

The idea was also to reduce the cost of businesses, improve compliance and increase revenue collection in the country, which has the lowest tax-GDP ratio in South Asia.

The project ended in June 30, 2021.

Kazi Mostafizur Rahman, project director of the VAT Online Project, said the modules that went live are functional and training of officials of field level VAT administration will enable them to use them fully.

FBCCI seeks UK partnership for technology transfer

STAR BUSINESS REPORT

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) has sought partnership with the UK for technology transfer and supply chain development to ensure smooth graduation of Bangladesh from the least developed country (LDC) category.

FBCCI President Md Jashim Uddin made the call at a discussion on "Bangladesh-UK Trade & Investment Roundtable-2022" at London on December 7.

The government is doing everything for creating new opportunities for businesses and investors, Jashim Uddin said.

But to face the challenges of the LDC graduation by 2026 and integration into the fourth industrial revolution, Bangladesh urgently needs technology transfer and joint venture partnership in the global supply chain, he noted.

The president said innovative knowledge should be applied in agricultural and industrial production and service sectors.

The FBCCI wants UK's partnership in these cases, he said.

"We are manufacturers of diversified pharmaceuticals products, leather goods, plastic, frozen seafood, ceramics, jute products, and home appliances."

The UK could invest in Bangladesh in the areas of energy, agro-processing, pharmaceuticals, plastic and petrochemical, engineering, logistics sector, financial services, and support in skills development programme for upgrading Bangladesh's middle managers and workers, he said.