



According to data from shipping agents, a total of 120 container vessels arrived at Chattogram port in November while the number came down to 111 in December. The agents blamed the drop in the arrival of vessels on a fall in imports.

PHOTO: STAR/FILE

Banks can write off small loans up to Tk 5 lakh

Central bank says in a notice

STAR BUSINESS REPORT

Banks can write off loans up to Tk 5 lakh in the agriculture, cottage, micro, small and medium enterprise, and other sectors without filing any court cases, said the central bank yesterday.

The directive from the Bangladesh Bank came as the expenses of continuing loan-related lawsuits are found to be often higher than the outstanding loan amount picked for write-off.

But if it does not merit a mandatory case under the money loan court laws, loans up to Tk 5 lakh can be written off without filing any cases, said the BB in a notice.

In 2019, the BB instructed banks to file lawsuits at the money loan courts before writing off loans. It, however, also said loans up to Tk 2 lakh could be written off without filing any court cases.

Half of Ctg port container jetties remain vacant as import falls

DWAIPAYAN BARUA, Ctg

Ending 2022 with negative growth in container throughput, the Chattogram port had almost half of its container jetties vacant as the new year rolled in.

Port officials and users blamed a drop in vessel arrivals over the last couple of weeks.

Experiencing vessel congestion most of the time, at least 11 out of the port's 18 jetties can accommodate container vessels.

Of the 18, 12 are at General Cargo Berth, two at Chittagong Container Terminal and four at New Mooring Container Terminal.

The authority usually allows container vessels to berth at 5 to 6 jetties.

Six to seven jetties of the 12 remained vacant over the last three days till Wednesday. The situation improved slightly yesterday when three were vacant.

Chattogram Port Authority (CPA) Secretary Md Omar Faruk said a low

number of vessels had been arriving over the last couple of days.

He also hinted at a significant drop in the inflow of import cargo.

Two to four jetties at the two terminals, which house gantry cranes, have remained vacant over the last three days since Monday.

Captain Tanveer Hussain, chief operating officer of Saif Powertec, the berth operator of the terminals, said container handling have sped up for the installation of a number of new gantry cranes, resulting in vessels being able to depart quicker.

That is why jetties are not facing congestion now, he said.

But shipping agents hinted at a reduction in the arrival of vessels, mainly for a noticeable fall in the import volume.

According to data from the shipping agents, a total of 120 container vessels arrived at the port in November while the number came down to 111 in December.

On an average, 1.10 lakh TEUs (twenty-

foot equivalent units) of import-laden containers were unloaded at the port every month till October. In June it was 1.29 lakh TEUs.

But in November it stood at 1.05 lakh TEUs and came down to only 89,459 TEUs in December.

The imports started to fall mainly due to government-imposed restrictions on luxury items and opening of letters of credit amidst a dollar crisis.

Mentioning that 20,000 TEUs could be carried by at least 20 vessels, a senior official of a shipping agent said a drastic fall in imports caused the decrease in vessel arrivals.

Besides, many main line operators like CMA CGM, MSC, Cosco, APL and others who operate their own feeder vessels between Chattogram and four transshipment ports have recently reduced their vessel numbers, he said.

This is a result of a decrease in import volume and drastic fall in container freight, he added.

Bangladesh advances in internet speed

Global ranking shows

STAR BUSINESS REPORT

Bangladesh has advances seven spots in a global ranking on mobile download speeds, reaching 119th position.

The country recorded 13.95 Mbps in November last year, better than the 10.42 Mbps recorded in November 2021, according to Speedtest Global Index published recently.

The country also improved its global ranking for fixed broadband download speeds, gaining three spots to stand at 102th by recording 34.85 Mbps.

The index includes internet speeds in some of the world's largest cities across the globe.

"We are constantly providing directives to the mobile operators to improve their service...we are gradually improving," said Brig Gen Md Nasim Parvez, director general at Systems and Services Division at Bangladesh Telecommunication Regulatory Commission.

"The network expansion of the operators and the improvement of quality of the devices substantially contributed to this gain," he added.

"There will be more faster internet speeds as the government allocated a huge chunk of spectrum last year. Once those spectrums are completely rolled out, the situation would be much better," he said.

Despite the gains, Bangladesh still significantly lags behind global mobile average download speeds of 33.97 Mbps and broadband download speeds of 75.45 Mbps.

Qatar and Chile are on the top spots for global mobile speeds and fixed broadband speeds, with an average download speed of 176.18 Mbps and 216.46 Mbps respectively.

Aamra Networks, Aamra Tech get nod to issue stock dividends

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) has consented to Aamra Networks Limited and Aamra Technologies Limited's decision to issue stock dividends for the last fiscal year but rejected a similar move by Tosrif Industries Limited.

In a filing on the Dhaka Stock Exchange yesterday, Aamra Networks said the BSEC had accorded its consent for raising the paid-up capital through the issuance of a 5 per cent stock dividend for the year that ended on June 30.

Paid-up capital is the amount of money a company has received from shareholders in exchange for shares of stock. Similarly, Aamra Technologies received the regulatory nod to increase the paid-up capital by providing a 6 per cent stock dividend for 2021-22.

Tosrif Industries said its decision to raise the paid-up capital by issuing a 2 per cent stock dividend for the last financial year had been rejected by the stock market regulator.

Cost of foreign borrowing

FROM PAGE B1

"Nevertheless, good governance in the banking sector, an enhanced loan recovery process, and constant monitoring would play an important role in maintaining stability in the banking industry," the quarterly report said.

The war-induced global supply chain disruption and the volatility in commodity markets continued to have spillover effects on the robust post-pandemic recovery of Bangladesh's economy.

Given the current external and internal macroeconomic challenges, Bangladesh's growth performance is expected to be moderated marginally in FY23. Consequently, the real GDP growth target was adjusted downward to 6.5 per cent from the earlier forecast of 7.5 per cent for FY23.

The economy is expected to remain broadly stable in FY23 hinging upon proactive and timely measures of the government and the BB to ensure adequate agriculture production, industrial output, and service sector activities.

However, the continuous unrelenting challenges of the global economy due to the war, the overshooting cost-of-living driven by persistent and increasing inflation pressures, and the slowdown of major economies may have some negative externalities over Bangladesh's economy, the report warned.

"Policy-makers should continue to remain vigilant and work on various alternative policy options to sustain against any adverse global economic shock," said the BB.

The current level of high inflation rate may persist throughout the ongoing fiscal year, according to a forecast of the BB.

The central bank said the inflation outlook is subject to significant uncertainty, with risks arising from the path of global commodity prices, the domestic fiscal and monetary policy stance, and the exchange rate volatility.

Due to the significant supply shock brought on by the rise in fuel and power costs, inflation is anticipated to stay around current levels for much of FY23, according to the report.

Inflation stood at 8.71 per cent in December, down 14 basis points from the month before.

Credit to the private sector maintained a strong growth path in the first quarter of FY23 following the trend during FY22. Against the growth target of 13.6 per cent for December, credit to the private sector grew 13.93 per cent in the July-September quarter mostly because of the availability of low-cost and easy credit facilities and various sector-specific refinance schemes.

Credit to agriculture, construction, trade and commerce, and consumer finance grew 15.41 per cent, 9.38 per cent, 15.94 per cent, and 39.38 per cent, year-on-year. Credit to the industrial sector moderated to 8.99 per cent.

But the expansion of credit to the private sector is anticipated to strengthen even further with major impetus from increased momentum in industrial activities, higher external sector demand and favourable developments in related sectors during the remaining quarters of FY23.

The sizable private sector credit off-take, falling deposit growth on the back of negative real interest rates on deposits, and increased bank spending on US dollars squeezed up the banking system liquidity, said the BB.

The report said a broad-based recovery of the economy appeared to have continued in the three months to September.

"It is expected that growth will pick up in FY23 stemming from rising demand, recovery in investment, and growing remittance inflows."

As the domestic energy price is administered, elevated global energy prices will raise the budget deficit, it added.

Govt to allow commercial farming of vannamei

FROM PAGE B1

In the third phase, it allowed eight firms to conduct experimental culture of vannamei.

Of the firms, Shushilan, MU Seafood and Niribili Fisheries farmed the vannamei between 2021 and 2022, and yields of the shrimp in these farms stood between 8.33 tonnes and 12.34 tonnes per hectare, according to the minutes of a meeting of the technical committee held last week.

Per hectare yield of locally farmed black tiger shrimp is nearly half a tonne, according to the sector's people.

"The results that we have got are positive," said DoF DG Haque.

Introduced in the US in the 1970s, commercial cultivation of whiteleg shrimp started to expand in the 1980s, reaching many Asian countries such as China, Thailand, Indonesia and India over time.

As such, production of the shrimp

soared, making a huge stride in the global market.

The vannamei put locally grown black tiger shrimp out of competition as though it is smaller in size, it is cheaper, affecting export earnings of Bangladesh.

Export receipts from shrimp, which stood at \$545 million in fiscal year 2013-14, had been on a downward trend since then before it rebounded in fiscal year 2021-22.

In the first half of the current fiscal year of 2022-23, shrimp exports slumped 32 per cent year-on-year to \$183 million, weakened by a drop in demand in the western markets, according to Export Promotion Bureau data.

The association president, Amin Ullah, said export earnings would double in five years due to commercial cultivation of vannamei.

DoF Chief Haque said India was growing the whiteleg shrimps for the past couple of years and it has

Set quota of dollar for import

FROM PAGE B1

cut costs as some have to pay as high as Tk 111 for a dollar.

The six commodities mentioned in the commerce ministry's recommendation letter were edible oil, sugar, lentil, onion, chickpeas and dates.

The letter is sent to the central bank through an electronic mail, said Senior Commerce Secretary Tapan Kanti Ghosh.

Ghosh, however, did not say exactly what percentage of dollars a private bank should reserve for the importers of the essential goods.

The central bank will find out on an average how much of the essential goods were imported in the last few years before the Ramadan and take the decision according to the analysis, he said.

After the analysis, the central bank will determine what percentage of dollars should be reserved for which importers, Ghosh said.

"We have recommended the central bank for reserving the dollar from the receipts of export of merchandise and from the remittance, not from the reserve of the Bangladesh Bank."

Primarily, the move is taken for Ramadan only, he said.

The possibility of continuing such special measures depends on the situation in future, he said.

The move will be removed if the dollar pressure is eased, the secretary said.

However, all depends on the central bank as it will suggest the private commercial banks for allocating the quota of dollars in this case, he said.

not faced any negative effect on biodiversity there. So, the species will not sustain and breed even if it enters water bodies.

He said they would give permission to farm vannamei in enclosed environments and impose conditions that water can be discharged in open water bodies only after proper treatment. "We will give permission case by case," he said.

Md Monirul Islam, professor & chairman of the department of fisheries at the University of Dhaka, said the shrimp would be grown through the use of feed.

So, there will be waste and there are environmental risks if the waste are not managed properly, he warned.

He suggested that the whiteleg shrimp be allowed to be farmed through zoning so that it cannot spread sporadically initially. The government also should prepare a manual for culture of the non-native species, he added.

This is a special move from the government as currently the prices of basic commodities went up abnormally in the domestic and international markets following the severe fallouts of the Russia Ukraine war and the delayed recovery from the Covid-19 pandemic.

The scarcity of dollars in the banking sector has badly impacted the import of basic commodities.

As a result, the price of some basic commodities went up in the local markets and also a section of unscrupulous traders has been making a hefty profit taking the opportunity of time.

So, the government wants to ensure adequate supply of commodities in local markets as the demand for those imported goods shoot up before and during the Ramadan.

Oil rebounds

REUTERS, London

Oil rebounded on Thursday after posting the biggest two-day loss for the start of a year in three decades with the shutdown of a US fuel pipeline providing support, though economic concerns capped gains.

Big declines in the previous two days were driven by worries about a global recession, especially since short-term economic signs in the world's two biggest oil consumers, the United States and China, looked weak.

Helping drive the gains on Thursday was a statement from top US pipeline operator Colonial Pipeline, which said late on Wednesday its Line 3 had been shut for unscheduled maintenance with a restart expected on Jan. 7.

Comforter-quilt

FROM PAGE B1

Shwapno, the leading retail brand with 286 outlets in Bangladesh, sold about 53,000 comforters last year. It has already sold 53,400 comforters this year, with the winter season expected to last at least a couple of months.

"We are expecting a minimum 50 per cent growth in sales this year," said Sabbir Hasan Nasir, executive director of ACI Logistics, which owns Shwapno.

"There have been great responses from the customers since the beginning of the winter. Now the sales have surged."

The demand has ballooned by 50 per cent in the last few days. The price of a comforter at Shwapno ranges from Tk 1,500 to Tk 2,100.

Shwapno sources the products from local suppliers who have their own production facilities.

Momtaz Kabir, the proprietor of Makshud Bedding store that manufactures traditional duvets in the capital's Nilkhet area, says sales for traditional duvets have plummeted due to a higher demand for comforters and quilts.

"Besides, a duvet costs 30 per cent more than a comforter, which has driven down the sales."