

star BUSINESS

Why firms switching to 'PLC' suffix

AHSAN HABIB

Delta Brac Housing Finance Corporation, a listed non-bank financial institution in Bangladesh, recently announced that it has decided to change its name by adding PLC as a suffix.

DBH is not alone.

Many other companies listed on the stock markets in the country have announced to ditch the suffix "Limited" or "Ltd" in order to assume "PLC" or "Public Limited Company" in the last few months.

They include Crown Cement, Runner Automobiles, Premier Cement Mills, Taufika Foods and Lovello Ice-cream, Citizens Bank, United Commercial Bank, Unique Hotel & Resorts, and Walton Hi-Tech Industries.

A PLC is a public company and is the equivalent of a US publicly traded company that carries the Inc. or

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TCB to buy lentils, soybean oil ahead of Ramadan

STAR BUSINESS REPORT

The Trading Corporation of Bangladesh will purchase 8,000 tonnes of lentils and 1.1 crore litres of soybean oil ahead of Ramadan, the month of fasting for Muslims scheduled to begin in late March.

The cabinet committee on government purchase yesterday approved proposals at a meeting presided over by Finance Minister AHM Mustafa Kamal.

The lentils will be purchased from Export Trading Bd, Dhaka, a local agent of Indian company ETC Agro Processing Pvt, which was selected through an open tender method.

At a briefing after the meeting, Additional Secretary Sayeed Mahbub Khan of the cabinet division said each kilogramme of lentils would cost Tk 92.46, which was previously bought at Tk 101.97.

Besides, the TCB will purchase the soybean oil from local supplier Shun Shing Edible Oil under a direct purchase method at a cost of Tk 182 per litre.

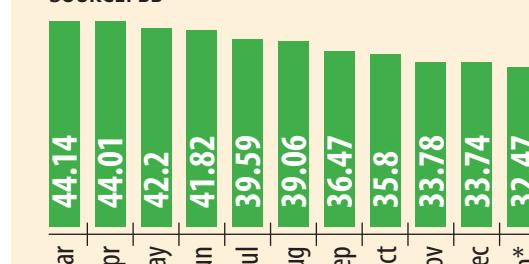
The committee also

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FOREX RESERVES

In billions of \$, (Till Jan 19)

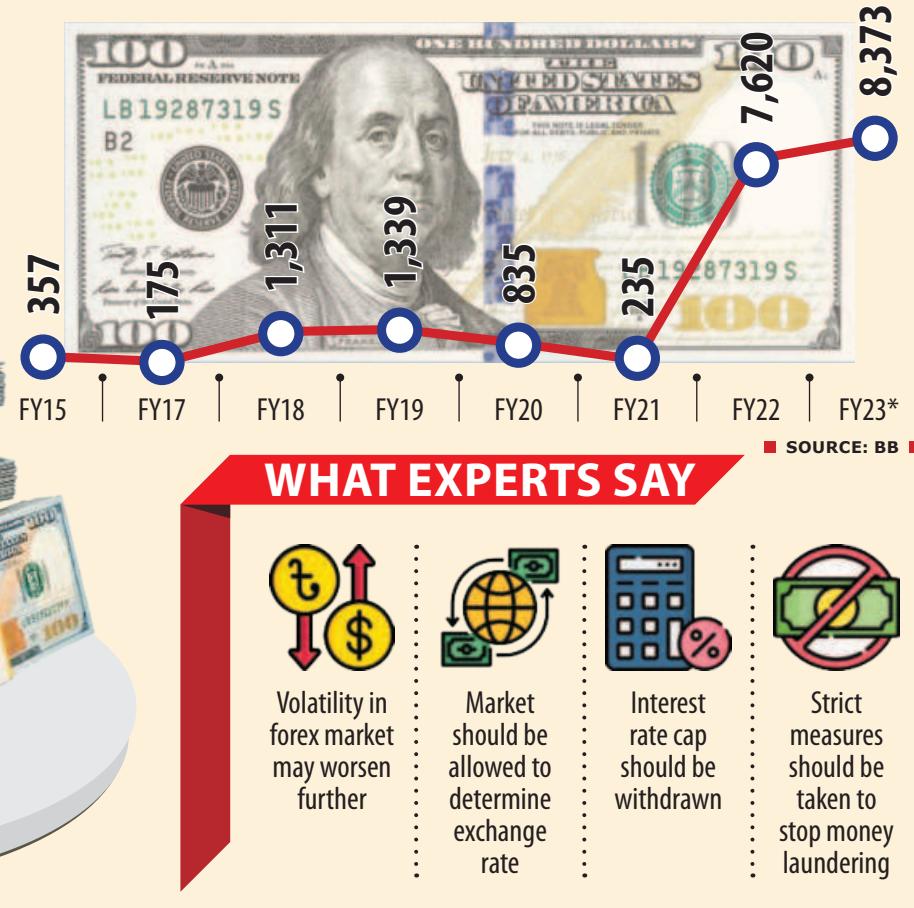
SOURCE: BB



SALES OF DOLLAR BY BB

In millions of \$, *Till Jan 17;

No dollar was sold in FY13, FY14 and FY16



WHAT EXPERTS SAY

-  Volatility in forex market may worsen further
-  Market should be allowed to determine exchange rate
-  Interest rate cap should be withdrawn
-  Strict measures should be taken to stop money laundering

BB injects record \$8.37b in less than 7 months

AKM ZAMIR UDDIN

The Bangladesh Bank has injected a record \$8.37 billion into the banking system in just less than seven months of the current fiscal year in order to restore stability in the foreign exchange market.

The sales of the American greenback to local banks have already surpassed the \$7.62 billion, an all-time high, that the central bank supplied in the entire financial year of 2021-22.

And the US dollar sales are expected to continue at the current pace or even accelerate if the central bank's stance on the exchange rate and the lending rate cap continues, warn a number of economists.

The record injection of US dollars, however, has hardly contributed to watering down the ongoing volatility in the forex regime, which has stemmed from the fast depletion of the foreign currency reserves amid a surge in import bills fuelled by escalated commodity prices globally.

The reserves stood at \$32.47 billion yesterday, down 28.16 per cent from a year earlier.

The reserves might shrink further if the central bank does not allow the market to determine the exchange rate of

the taka against the dollar and remove the interest rate cap of 9 per cent on loans, said a number of economists.

"The stance that has been taken by the central bank will deepen the volatility. If it does not allow the floating exchange rate, there will be no other option but to inject a large amount of dollars into the market," said Ahsan H

Mansur, executive director of the Policy Research Institute of Bangladesh.

The former economist of the International Monetary Fund raised the alarm as the demand for consumption among both borrowers and a section of people has still been high despite higher inflation in the past 10 months.

"There is a pent-up demand as imports have decreased in recent months to some extent. But if

the floating exchange is allowed, the local currency will depreciate further, which will go on to suppress the demand," he said.

The exchange rate of the taka yesterday stood at Tk 107 for each dollar, down 24.41 per cent year-on-year, data from the central bank showed.

But Mansur disagreed.

"The rate is already

depreciating in the forex market and banks are buying the US dollars at as high as Tk 115 each.

It is not Tk 106 or Tk 107 in the market. The pressure is building up."

"The taka may depreciate suddenly. That risk is very much there because the current exchange rate can't be maintained at some point. This is the reality."

Earlier, the central bank tried

to control the exchange rate but it did not work after banks witnessed shortage of US dollars to settle import bills. As a result, the taka has lost its value by at least 20 per cent in the past several months.

But it could have avoided such a sharp depreciation and the erosion of the reserve had the market been allowed to fix the rate.

A higher export and remittance receipts can emerge as saviour.

"The flexibility in the exchange rate will also help the central bank tackle money laundering."

Withdrawing the 9-per cent interest rate on loans could be another tool for the BB to make funds dearer and could attract investments from abroad.

When the central bank imposed the cap in April 2020, the interest rates in the major developed countries were around 1 per cent, according to Mansur.

But the rates in developed countries have recently gone past 7 per cent, but the rate is still 9 per cent in Bangladesh.

"This is thoroughly illogical," he said.

"The central bank should adjust the rates in line with global trends. Otherwise, why

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Earlier, the central bank tried

Bangladesh wants MIGA-backed loans at 4% max

REFAYET ULLAH MIRDHA

Bangladesh plans to pay a maximum of 4 per cent in the interest rate and commissions against the loans to be guaranteed by the Multilateral Investment Guarantee Agency (MIGA), said officials of the commerce ministry yesterday.

Recently, the MIGA in a letter to the Bangladesh Bank and the finance ministry offered to become a guarantor for the import of essential commodities worth \$500 million to \$1 billion.

The MIGA is a member of the World Bank Group and its mandate is to promote cross-border investment in developing countries by providing guarantees (political risk insurance and credit enhancement) to investors and lenders.

The MIGA has sought 6 per cent in the interest rate and commissions.

A number of officials from the MIGA and the World Bank discussed the issue at a meeting with Senior Commerce Secretary Tapan Kanti Ghosh at his secretariat office in Dhaka yesterday.

After the meeting, Ghosh told The Daily Star that Bangladesh wants the MIGA guaranteed loan at 2 per cent or 4 per cent.

The MIGA itself will not provide any loans to Bangladesh. Rather, it will manage the fund from international financial institutions to provide the amount to Bangladesh, he said.

The MIGA will be the guarantor of the loan. The World Bank arm has had to step in as international financial institutions may decline to provide loans to Bangladesh given the volatile global economic situation and the dollar crisis in the banking sector of the country.

The MIGA wants the central bank of Bangladesh to mobilise the fund, Ghosh said.

So, the final decision regarding availing the

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| STOCKS | |
|--|---|
| DSEX  0.11% | CASPI  0.04% |
| 6,265.44 | 18,476.17 |

| COMMODITIES | |
|---|--|
| Gold  \$1,910.29 (per ounce) | Oil  \$78.93 (per barrel) |

| ASIAN MARKETS | | | |
|--|---|--|---|
| MUMBAI  60,858.43 | TOKYO  26,405.32 | SINGAPORE  3,276.18 | SHANGHAI  3,240.28 |

Locally made Hyundai cars to hit the streets next week

STAR BUSINESS REPORT

"Made in Bangladesh" Hyundai motor vehicles will hit the streets next week as Fair Technology yesterday commenced production at the country's first manufacturing facility for cars designed by the South Korean automobile brand.

Set up on two industrial plots at the Bangabandhu Hi Tech Park in Kaliakoir of Gazipur, the factory has already produced 100 units of Hyundai Creta, a highly popular subcompact crossover SUV.

Each Hyundai Creta was manufactured using more than 1,000 parts imported from nine different countries, according to company officials.

Other designs of Hyundai SUVs and sedans will be gradually produced as well, they said.

Mutassim Daian, director and CEO of Fair Technology, said they believe this is a highly significant milestone in Bangladesh's economic progress.

"We humbly express our pride at proving the country's ability to produce the world's best Hyundai cars," he added.

Daian then informed that the vehicles will hit markets at highly competitive and affordable prices.

Besides, world standard after sales service and the availability of all spare parts has also been ensured, he said.

Initially, the factory will produce 3,000 Hyundai Creta SUVs each year. However, the number will gradually increase to some 10,000 units annually.

"We are proud that the world's third largest automobile company has chosen Bangladesh to set up a manufacturing plant," said Zunaid Ahmed Palak, the state minister for ICT.

"It is also a stamp of approval showing that the country's capabilities have grown," he added.

Palak went on to say that the plant currently employs about 300 people but is expected to create about 5,000 jobs in the future.

The factory's inauguration is a strong step towards implementing the national vision, "Smart Bangladesh", said Industries Minister Nurul Majid Mahmud Humayun.

"Made in Bangladesh" Hyundai SUVs will now run on the streets as a symbol of fast-moving Bangladesh," he added.

Ruhul Alam Al Mahbub, chairman of Fair Group, said setting up this factory is just the beginning of their efforts in the automobile industry.

"With the help of the government, we will grow further and ultimately realise the dream of one family, one car," he added.

Lee



Women of Chuknagar Malotia village in Khulna's Dumuria upazila place dollops of a paste made out of ripe ash gourd and vigna mungo, a pulse known as mashkalai dal in Bangla, to dry out under the sun. After a couple of days, the small masses will be ready to be added to different dishes as a flavour enhancer. Locally there is good demand for the product, with each kilogramme selling for Tk 150 to Tk 160. The photo was taken recently.

PHOTO: HABIBUR RAHMAN

DSE sees 37% drop in turnover while stocks rise

STAR BUSINESS REPORT

Stocks in Bangladesh yesterday resumed their gaining streak after stumbling the day before while turnover of the country's premier bourse dropped by around 37 per cent.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose by 7 points, or 0.11 per cent, to end the day at 6,265 points.

Meanwhile, the DS30, which represents blue-chip stocks, fell 0.08 per cent to 2,208 points while the DSES, an index comprised of shariah-compliant companies, edged up 0.02 per cent to 1,367 points.

Investors remain pessimistic about the future of the market and so, most stocks are struggling to get buyers even though the index rose slightly, according to a stockbroker.

If institutional investors return, then

general investors would regain their confidence, he said, adding that most buyers active at present are big individual investors who prefer speculative stocks.

Turnover, a measure of the total value of stocks traded, dropped 37 per cent to Tk 590 crore while it was Tk 934 crore the previous day.

Among the traded companies, 76 advanced, 100 declined and 184 remained unchanged.

Dhaka stocks bounced back after a dull session of panic sales due to the hike in gas prices, International Leasing Securities said in its daily market review.

On the other hand, optimistic investors went into buying mode, especially in the IT, general insurance and travel sectors, as the market witnessed a moderate fall on the previous day.

Following the previous session, the market opened on a downward movement as it observed some sale pressure in the

morning session.

Later on, the market returned to the green thanks to a buying spree among opportunistic investors that took position in stocks with lucrative prices, it added.

Among the sectors, IT advanced 3.2 per cent, general insurance increased 2.7 per cent and travel rose 1.5 per cent while cement dropped 1.1 per cent, jute fell 0.9 per cent and tannery edged down 0.4 per cent.

Investor activity was mostly focused on the IT sector, which captured 23 per cent of the day's total turnover. General insurance came in second with 10.5 per cent while pharmaceuticals placed third with 10.1 per cent.

IT Consultants posted the highest appreciation, rising 10 per cent, while Dhaka Insurance surged 9.93 per cent. Similarly, Union Insurance advanced 9.33 per cent while Gemini Sea Foods and City General Insurance gained more than 8

per cent each.

Islami Bank suffered the steepest fall, sliding down 2.63 per cent. Likewise, Bangladesh Shipping Corporation dropped 1.83 per cent while Malek Spinning Mills and Hwa Well Textiles also fell by more than 1.70 per cent each.

Genex Infosys was the most traded stock on the day with shares worth Tk 49 crore changing hands. Amara Networks, Bashundhara Paper Mills, Bangladesh Shipping Corporation, and IT Consultants also saw significant transactions.

The Caspi, the all-share price index of the Chittagong Stock Exchange (CSE), fell 8 points, or 0.04 per cent, to end the day at 18,476 points.

Of the securities traded, 46 advanced, 61 declined, and 89 did not show any price movement.

Turnover at the CSE dropped 36 per cent to Tk 11.44 crore while it was Tk 17.90 crore the previous day.

Standard Ceramic suffers losses in Jul-Sep quarter

STAR BUSINESS REPORT

Standard Ceramic Industries Ltd suffered a loss of Tk 1.94 crore in the first quarter of the current financial year owing to higher cost of imported raw materials and the US dollar.

The ceramic manufacturer incurred a loss of Tk 1.51 crore in the July-September quarter of the previous financial year as well.

Thus, the company reported earnings per share of Tk 3 in negative in the first quarter compared to Tk 2.33 in negative in the July-September of 2021-22, according to the unaudited financial statements.

The basic EPS turned negative as the overall economic condition was dull for Covid-19 and the Russia-Ukraine war as well as because of the higher cost of imported raw materials driven by a spike in freight charges and the dollar rate fluctuation, said Standard Ceramic in a filing on the Dhaka Stock Exchange (DSE) yesterday.

The factors adversely reduced sales and gross profit, it said. The net operating cash flow per share was also a negative of Tk 2.22 in July-September of 2022-23 against Tk 0.50 in positive in the identical quarter of 2021-22.

The NOCFPS decreased as the collection against sales declined whereas the payments to suppliers to some extent, said the posting. The net asset value per share was Tk 3.65 on September 30 and Tk 6.66 on June 30. Shares of Standard Ceramic were down 0.96 per cent to Tk 133.50 on the DSE yesterday.

Japan's trade deficit hits record

AFP, Japan

Japan logged its largest ever annual trade deficit last year, with the soaring price of energy and raw materials compounded by the dramatic fall of the yen.

The resource-poor country is heavily dependent on imported fossil fuels, which became sharply more expensive last year, largely due to Russia's invasion of Ukraine.

In 2022, the value of imports was 19.97 trillion yen (\$155 billion) higher than exports -- Japan's largest ever deficit. Comparable data has been available since 1979.

| PRICES OF KEY ESSENTIALS IN DHAKA CITY | | | |
|--|----------------------|----------------------------|--------------------------|
| | PRICE (JAN 16, 2023) | % CHANGES FROM A MONTH AGO | % CHANGE FROM A YEAR AGO |
| Fine rice (kg) | Tk 58-Tk 75 | -2.92 ↓ | 3.91 ↑ |
| Coarse rice (kg) | Tk 46-Tk 52 | -1.01 ↓ | 3.16 ↑ |
| Loose flour (kg) | Tk 58-Tk 62 | -4 ↓ | 69.01 ↑ |
| Lentil (kg) | Tk 100-Tk 105 | -2.38 ↓ | 5.13 ↑ |
| Soybean (litre) | Tk 168-Tk 170 | -1.17 ↓ | 15.36 ↑ |
| Potato (kg) | Tk 22-Tk 25 | 4.44 ↑ | 34.29 ↑ |
| Onion (kg) | Tk 35-Tk 45 | -5.88 ↓ | 6.67 ↑ |
| Egg (4 pcs) | Tk 40-Tk 43 | 13.7 ↑ | 10.67 ↑ |

SOURCE: TCB



Mahbubur Rahman, chairman of Eastland Insurance Company, inaugurates the insurer's "Annual Business Conference-2023" at DCCI auditorium in Motijheel, Dhaka recently. Ghulam Rahman, executive vice-chairman, Kamaluddin Ahmed, Md Tanvir Khan, directors, Abdul Haque, chief executive officer, Shahid-e-Monzoor Morshed, Md Shafiq Alam Bhuiyan and M Golam Hafez, additional managing directors, were present.

PHOTO: EASTLAND INSURANCE COMPANY



Mohammed Mahtabur Rahman, chairman of NRB Bank, hands over a cheque to Prime Minister Sheikh Hasina in Dhaka recently as donation for Ashrayan-2 Project. Ali Ahmed, chairman of the executive committee of the bank, and Md Nazrul Islam Mazumder, chairman of Bangladesh Association of Banks, were present.

PHOTO: NRB BANK



Tarique Afzal, managing director of AB Bank, uses Bangla QR to digitally settle a payment at a micro merchant in Motijheel, Dhaka recently. AB Bank is one of the ten banks included in the pilot project to make sure the capital-wide use of Bangla QR under the "Cashless Bangladesh" campaign launched by the central bank recently. AB Bank is working in the Motijheel area as part of the campaign.



Md Amirul Haque, managing director of Premier Cement, talks with engineers at Premier Cement Mills in Munshiganj's Mukterpur recently as a part of an "Engineer's Factory Meet" programme. Shohel Mahmud Bhuiyan, assistant general meeting, Mohammad Mahbubur Rahman, head of factory quality control, and Syed Rifat-e-Momin, head of bag plant, were present.



Monzur Rahman, chairman of Pubali Bank, attends the bank's 1st Business Conference-2023 for regional and corporate branch managers held at its head office yesterday. Mohammad Ali, managing director, presided over the conference, where Mohammad Esha, Mohammad Shahadat Hossain, deputy managing directors, and Md Faizul Hoque Sharif, general manager of general banking and operation division, were present.

PHOTO: PUBALI BANK



Although horse-drawn carts are a thing of the past in most parts of the world, they are a constant necessity for people living and working in char areas along the Brahmaputra river in Gaibandha as a lack of paved roads makes it difficult for heavy vehicles to navigate the region. Demand goes up during the dry season from November to June as boat services are halted for a drop in the river's water level. The photo was taken at Guptamani Char in Phulchari upazila recently.

PHOTO: MOSTAFA SHABUJ

Bangladesh to present investment potential, successes to foreigners

Business summit in March

STAR BUSINESS REPORT

A three day "Bangladesh Business Summit 2023" is scheduled to begin on March 11 to share business environment improvements, investment successes and good practices and gain insights of global investors' priorities for the development of policies.

The summit will be organised by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) in celebration of the 50th anniversary of the country's independence. Prime Minister Sheikh Hasina is expected to inaugurate the summit.

The FBCCI organised a luncheon with ministers of Bangladesh, foreign ambassadors and business leaders at Sheraton Dhaka yesterday to inform about the event.

The objectives include securing concrete investment proposals, developing a solid investment pipeline for important sectors and facilitating effective networking, dialogue and

partnership opportunities among national and international investors, policymakers and stakeholders.

Foreign Minister AK Abdul Momen termed it a timely initiative against the backdrop of the global economy downturns and supply chain disruptions stemming from the pandemic and Russia-Ukraine war.

"I am particularly happy, my ministry is also a key partner of this special event. We are working with our best possible calculations to stimulate our production ecosystem and trade investment," he said.

He laid emphasis on stronger partnerships and collaborations, noting that Bangladesh was moving towards the right direction to become a trillion-dollar economy by 2035.

"We have potential to become an international business and manufacturing hub and it is time we start creating narratives which would allow Bangladeshi platforms to become global incubators for innovation and entrepreneurship," he was quoted by news agency UNB as saying.

Bangladesh's success story is attracting investors from global players like Saudi Arabia, Singapore, Japan, India, China, Russia and the US, said Commerce Minister Tipu Munshi.

The country's sustainable progress has

The agriculture-based economy is being replaced by export-oriented industrialisation and will be gradually evolving into a knowledge-based economy, said Commerce Minister Tipu Munshi

been reflected in the nation becoming eligible for the United Nations status graduation from a least developed to a developing nation, he said.

Once the 100 economic zones are ready to accommodate factories, there is potential to attract a huge amount of investment, he said.

The agriculture-based economy is being replaced by export-oriented industrialisation and will be gradually evolving into a knowledge-based economy, said Munshi.

He requested the diplomats to join the event and brand Bangladesh as one of the top trade and investment destinations alongside its lucrative business opportunities and incentives.

"Now our priority is to ensure ease of doing business, and for this sake we took initiatives to provide all necessary support under an umbrella with a view to promoting business," said Munshi.

Bangladesh is now moving forward with its new "Smart Bangladesh" vision, said Md Jashim Uddin, president of the FBCCI.

A cost-effective, sustainable, knowledge-based and innovative Bangladesh will be built on four main foundations - "Smart Citizen, Smart Economy, Smart Government and Smart Society" by 2041, he said.

The FBCCI is organising the summit as a part of that journey, said Jashim.

Japan's export growth slows sharply in Dec

REUTERS, Tokyo

Japan's export growth slowed sharply in December as China-bound shipments fell for the first time in seven months, stoking fears of further slowdown in the global economy and external demand for Japanese shipments.

Exports rose 1.5 per cent year-on-year in December after a 20 per cent gain in November, marking the slowest growth since the start of 2022, dragged down by a falloff in sales to China of cars, auto parts and chip-making machinery, Ministry of Finance (MOF) data showed on Thursday.

The weak data dashes policymakers' hopes for an export-led recovery from the pandemic, putting more pressure on the government to persuade Japanese firms to accelerate wage hikes to help boost domestic demand.

Exports to China, Japan's largest trading partner, fell 6.2 per cent year-on-year in value and were down by 24 per cent in terms of volume in December.

Exports to the United States in December rose 16.9 per cent from a year ago, led by cars, mining equipment and aero-engine parts.

"The unexpected stalling of the Chinese economy came on top of slowdown in Europe and America. In the worst case, it may deal a blow to Japanese exports, which could in turn hit Japan's factory output and capital expenditure," said Atsushi Takeda, chief economist at ITOCHU Research Institute.

"Japan would then have no choice but turn to domestic demand to pick up the slack. In that sense, spring wage talks between labour and management holds the key to see whether private consumption will hold up to drive virtuous economic growth."

Why firms switching

FROM PAGE B1

corporation designation.

The use of the PLC abbreviation after the name of a company communicates to investors and to anyone dealing with the company that it is a publicly traded corporation.

In Bangladesh, the companies are switching to the PLC suffix in order to comply with the amended Company Act 1994. The amendment was made in 2020.

"The changing of the name will not bring about any extra benefits. It will only make it easier for people to realise that the company is publicly listed and the number of its share is limited," said Md Rafiqul Islam, company secretary of Walton Hi-Tech Industries PLC.

The electronic giant changed its suffix in January last year.

Alam said most companies were awaiting a move from the Registrar of Joint Stock Companies and Firms to change the suffix of all of the listed companies. However, some companies are taking the step to switch to "PLC" from "Ltd" proactively.

According to the amended Company Act, publicly listed companies would have to carry the PLC suffix after their names.

Private limited companies will continue to use the "Limited" or "Ltd" suffix, while one-person companies will use the OPC designation.

For non-profit cooperatives and companies, there is no need to use any suffixes in their names.

BB injects record \$8.37b

FROM PAGE B1

would people bring their funds to Bangladesh?" he asked.

Zahid Hussain, a former lead economist of the World Bank's Dhaka office, also called for measures to withdraw the multiple exchange rates with a view to restoring discipline in the foreign exchange market.

As per a decision agreed by the Bangladesh Foreign Exchange Dealers' Association and the Association of Bankers, Bangladesh, exporters are allowed to get a maximum of Tk 102 for each US dollar from banks and lenders are not permitted to offer more than Tk 107 to mobilise remittances from foreign exchange houses.

Importers buy the greenback based on the weighted average exchange rate plus Tk 1.

"If the floating exchange rate is permitted, it will help defuse the volatility," Hussain said.

Syed Mahbubur Rahman, managing director of Mutual Trust Bank, says that his bank's capacity to open letters of credit has reduced due to the shortage of the greenback.

"Although the central bank has asked to open LCs for essential

commodities aimed at meeting the demand during upcoming Ramadan, it is difficult for us to do comply fully as we do not have adequate greenbacks."

Bangladesh's \$4.5 billion loan programme with the IMF, which is expected to get the final approval from the lender on January 30, could provide some relief to the country.

A BB official says that declining import payments and increasing export earnings have not brought any change as the inflow of remittance is still feeble.

Import payments stood at \$32.53 billion in the first five months of the current financial year, up 4.41 per cent year-on-year. Exports grew 11.7 per cent to \$20.74 billion, while remittances stood at \$8.79 billion during the period, up 2.14 per cent.

Export is projected to grow at 10 per cent in FY23, down from 13 per cent the BB stated earlier. Bangladesh posted a 33.4 per cent and a 14.9 per cent growth in FY22 and FY21, respectively.

The remittance flow is forecast to display a paltry growth of 4 per cent in FY23, way down from the 15 per cent the BB had anticipated in June.

Locally made

FROM PAGE B1

marks the 50th anniversary of Korea-Bangladesh diplomatic ties.

"And today, we are witnessing another significant development in the Korea-Bangladesh partnership," he added.

Jang-keun then said the opening of a Hyundai factory in Bangladesh can be a game changer, not only in the local automobile market, but also in the overall partnership between South Korea and Bangladesh.

Unsoo Kim, managing director of Hyundai Motor India, attended the ceremony as guest of honour.

Capt (retd) AB Tajul Islam, chairman of the parliamentary standing committee on the Ministry of Disaster Management and Relief, Zakia Sultana, secretary of the industries ministry, and Dr Bikarna Kumar Ghosh, managing director of the Bangladesh Hi-Tech Park Authority, were also present.

TCB to buy

FROM PAGE B1

awarded a package under a Dhaka-Sylhet highway project to a joint venture of Chinese company HEGO and Bangladeshi company Mir Akther at a cost of Tk 1,055.20 crore.

Moreover, Noorani Construction was awarded with a project to construct nine residential buildings for members of police in Dhaka city at a cost of Tk 23.20 crore.

Besides, the cabinet committee on economic affairs approved operating and maintaining the 3rd terminal of Hazrat Shahjalal International Airport under a public-private partnership.

60% sub-branches

FROM PAGE B4

Banks can't set up more than one urban branch a year. If an area is upgraded into a city corporation or a medium or lower-tier municipality, graduates into a top-tier one, the status of the branches will change accordingly.

Banks will not have to take prior approval from the BB while setting up electronic booths. However, only digital transactions can be carried out at those booths, said the BB notice yesterday.

**যাংকস এর প্রতিনিধি দলের সঙ্গে
র সোজন্য সাক্ষাৎ**

১, রবিবার ১০:০০ টা

প্রধানমন্ত্রীর বাস

জীর ব

১, রবিবার ১০:০০ টা

প্রধানমন্ত্রীর বাস</

EU economy
in 2023 to be
a lot better
than feared
Lagarde says

AFP, Davos

The eurozone economy will fare "a lot better" this year than initially feared, European Central Bank chief Christine Lagarde said Thursday, as hopes grow that countries can avoid a painful recession.

The economic "news has become much more positive in the last few weeks", Lagarde told an audience at the World Economic Forum in Davos.

The rhetoric has shifted from talk of a recession in the 20-nation club to "a small contraction", she said, with some major economies like Germany possibly dodging a contraction altogether.

The ECB is expecting 0.5 per cent growth in the eurozone in 2023, according to its latest forecast.

"So, it's not a brilliant year, but it is a lot better than what we had feared," Lagarde said.

The cautious optimism comes as sky-high energy prices, which soared last year because of the war in Ukraine, have started to fall.



A farmer is seen spreading vermicompost on his vegetable field in Doljor village under Aditmari upazila of Lalmonirhat. The use of vermicompost not only ensures better yields, but also acts as a safe and cost-effective alternative to manmade fertilisers. PHOTO: S DILIP ROY

Vermicompost production, sale grow in Rangpur

Use of the organic fertiliser bringing better yields

S DILIP ROY

About 10,000 farmers across five districts, namely Lalmonirhat, Kurigram, Gaibandha, Nilphamari and Rangpur, are benefitting from the production, use and sale of vermicompost, which is a natural fertiliser produced by decomposing organic material using earthworms.

Each farmer annually produces up to 10 tonnes of vermicompost at a cost of Tk 7 per kilogramme (kg), which is then sold for about Tk 12.

Other than the fertiliser itself, the farmers are simultaneously producing as much as 30 kgs of earthworms, which are being sold at Tk 900 to Tk 1,200 per kg.

The use of vermicompost for vegetable cultivation has increased significantly over the years, especially in small and marginal farms, according to sources at the Department of Agricultural Extension (DAE).

As such, about 55,000 tonnes of the fertiliser are being produced each year against a demand of 75,000 tonnes in the five districts, DAE officials said.

Aduri Begum, a marginal farmer of



Bhattacharya village in Chilmari upazila of Kurigram, said she produces 200 kgs of vermicompost and 10 kgs of earthworms every three weeks.

"Earthworms, cow dung, eggshells, vegetable waste, used tea leaves and rotting tree bark are decomposed to make vermicompost," Begum added.

She went on to say that she gets the expected profit by selling the vermicompost made at home.

Salimuddin, a marginal farmer of Paschim Sarkarpura village in the same upazila, said a non-government organisation (NGO) had trained them on the method of using earthworms to produce vermicompost.

"We sell vermicompost to local fertiliser dealers while the NGO buys earthworms from us," he added.

Salimuddin then said he is trying to secure more capital to increase production and that some 600 marginal farmers in Chilmari upazila are engaged in making the fertiliser.

Farmers in the region are being trained in vermicompost production through the Sustained Opportunities for Nutrition

Governance (SONGO) project.

Under the project, earthworms are bought from trained farmers and distributed among the new ones free of cost.

The project is being jointly implemented by RDRS Bangladesh and CordAid with financial support from the European Union.

Ahsanul Kabir Bulu, project manager, said many marginal farmers are producing vermicompost just to use it on their own small portions of land.

"So, we are helping farmers produce vermicompost to encourage them to grow toxin-free vegetables. Currently, the use of vermicompost has increased a lot," he added.

Nazrul Islam, a farmer of Sarpukur village in Aditmari upazila of Lalmonirhat, said he produces 400 kgs of vermicompost every three weeks.

As Islam does not need to purchase the required cow dung, his production cost comes down to about Tk 4 per kg, ensuring that he makes the expected profits.

"I myself am growing vegetables using vermicompost," he added.

Subhash Chandra Sen, a marginal farmer of Madhupur village in Kaunia upazila of Rangpur, said fertiliser traders pay him in advance to buy vermicompost.

Besides, many farmers looking to produce their own fertiliser buy earthworms from him as well.

Habibur Rahman, a fertiliser trader of Chilmari upazila, said he buys

vermicompost from farmers for Tk 12 per kg before selling it for Tk 17 per kg.

"The sale of vermicompost has increased manifold over the years," Rahman added, citing how he sells around 6,000 kgs of the fertiliser each month.

Narayan Chandra Barman, a farmer of Mahendranagar village in Lalmonirhat sadar upazila, said he produces vegetables using vermicompost at his homestead.

Barman previously used other fertilisers until he eventually found that vegetables produced using vermicompost provide better yields.

Javed Ali, a farmer of Doljor village in Lalmonirhat's Aditmari upazila, said he has been producing vegetables using the organic fertiliser for the last three years.

He produces some vermicompost at home and meets the rest of his requirement from the local market.

"I am getting good results by using vermicompost in the crop field. The soil fertility is being increased after using the organic fertiliser and I am getting better crop production as a result," he added.

Biplab Kumar Mohanta, deputy director of the DAE in Kurigram, said they alongside various NGOs are encouraging marginal farmers to produce vermicompost.

The use of vermicompost is essential to produce toxin-free vegetables.

"Marginal farmers are benefiting from vermicompost production. Many people earn their living from this sector," he said, adding that the use of vermicompost is increasing day by day.

Aduri Begum, a marginal farmer of

60% sub-branches of banks must be outside city corporations: BB

STAR BUSINESS REPORT

At least 60 per cent of sub-branches will have to be in areas located outside city corporations and top-tier municipalities, according to a Bangladesh Bank notice yesterday.

The sub-branches would be under the supervision of the nearby branches and the sub-branches can't be established within one kilometre of their supervisory branch.

The central bank came up with the latest changes in its guideline on setting up business centres, renting or leasing, with a view to helping the banking industry expand its reach and taking banking services to the unbanked people, thus accelerating financial inclusion.

The central bank said banks can turn approved branches into SME or agriculture ones and those branches have to be outside divisional cities or city corporations and in the areas that don't have access to banking services.

The SME or agriculture branches can run all banking activities except for foreign currency-related transactions and loans equal to at least 50 per cent of the deposits with the branches would have to be disbursed in the areas covering the branches.

The BB will consider the branches in city corporations and top-tier municipalities as urban branches and the rest as rural branches. The rural branches would have to make up at least half of the brick-and-mortar outlets approved by the central bank.

READ MORE ON B3

AFP, Geneva

Despite widespread outrage over Moscow's war in Ukraine, only a small number of Western companies have deserted Russia, according to a Swiss study.

Researchers at the University of St. Gallen and at the IMD institute in Lausanne have delved into how many companies based in the European Union and in G7 countries have actually divested from Russia since its full-scale invasion of Ukraine began last February.

Their findings reveal "a very limited retreat of EU and G7 firms from Russia, (and) challenge the narrative that there is a vast exodus of Western firms leaving the market," St. Gallen University said in a statement Thursday.

In effect, many firms headquartered in these nations have resisted pressures from governments, the media, and NGOs to leave Russia since the invasion of Ukraine began last February.

The study, which was published last month by the online Social Science Research Network (SSRN) -- a publisher of "pre-print" studies not subjected to scientific peer-review -- showed that only less than 10 per cent of EU and G7 companies with Russian subsidiaries had divested them.



People shop at a supermarket in Moscow. A study revealed that only less than 10 per cent of EU and G7 companies with Russian subsidiaries had divested them. PHOTO: AFP

When Moscow launched its invasion, 1,404 companies based in the EU and the G7 counted a total of 2,405 subsidiaries that were active in Russia, the study showed.

By late November, only 120, or about

8.5 per cent of those companies, had divested at least one subsidiary in Russia, study authors Niccolò Pisani and Simon Evenett found.

There were more confirmed exits by companies headquartered in the United

Cyber security threats to Smart Bangladesh

MAHTAB UDDIN AHMED

In 2016, a group of hackers calling themselves "The Impact Team" hacked into Ashley Madison dating website and exposed the personal information of 37 million users. The hackers claimed to have done this to expose the company's use of "fembots," or fake female profiles, to lure male users into paying for the service. The incident was widely covered in the media and led to a great deal of embarrassment for many of the users, including some public figures. Many also found it quite amusing because Ashley Madison's slogan was "Life is short. Have an affair." Better be careful when you try a dating site next!

Cybersecurity Ventures, a global researcher and publisher covering the global cyber economy and a source for cybersecurity facts, expects global cybercrime costs to grow by 15 per cent per year over the next few years, reaching \$10.5 trillion annually by 2025, up from \$3 trillion in 2015. This represents the most significant transfer of economic wealth in history and risks the incentives for innovation and investment.

Cybersecurity threats can cause certain dangers to individuals, businesses, and governments. Some of the potential dangers include:

Data breaches: Hackers can access information such as financial data, personal information, and confidential business information.

Ransomware attacks: Hackers can encrypt a victim's files and demand a ransom payment in exchange for the decryption key.

Distributed denial of service attacks: Hackers can overload a website or network with traffic, making it unavailable to legitimate users. It's very common in telecom, and in my last job, we experienced it.

Phishing scams: Hackers can trick individuals into providing sensitive information through fraudulent emails or websites.

Malware: Hackers can install malicious software on a victim's device, allowing them to control it or steal information.

Industrial control system attacks: Attackers can target control systems for critical infrastructure such as power plants, water treatment facilities, and transportation systems.

Overall, cyber security threats can lead to financial loss, reputational damage and even physical harm in some cases.

The field of cybersecurity is evolving as new technologies and threats emerge. Some trends and developments that may shape the future include:

Increased adoption of cloud computing and Internet of Things devices: As more businesses and individuals adopt cloud services and connect more devices to internet, the number of potential attack vectors will increase.

Greater use of artificial intelligence and machine learning: These technologies can detect and respond to cyber threats in real time, but they also raise new concerns about the potential for malicious actors to use AI to launch more sophisticated attacks.

Growing focus on supply chain security: As more companies rely on third-party vendors and partners, the potential for supply chain attacks will increase.

Quantum computing: As quantum computing matures, it will become a more viable tool for cyber attackers to break encryption and other security measures.

5G and 6G: As the world moves to 5G and 6G networks, the number of IoT devices will increase, bringing new challenges to security at the edge, device security, and network security.

Overall, the future of cybersecurity will involve a continued emphasis on technological and human-based solutions, a greater focus on collaboration between public and private sectors, and up-to-date education.

True that cyber security is preparing us for what is next and not last. While Bangladesh is transforming itself from a digital to a smart country, its cyber security will be the critical enabler. When you get smart, the government also gets smart and vice versa. Here, smartness without security is like a headless chicken.

The author is a telecom and management expert

States than those based in Europe and Japan.

But even with the United States, fewer than 18 per cent of US subsidiaries operating in Russia had been completely divested since the invasion began, the study showed.

By contrast, 15 per cent of Japanese firms and only 8.3 per cent of EU firms had divested from Russia, it said.

Of those who have left their Russian subsidiaries in place, 19.5 per cent are German and 12.4 per cent are US-owned, according to the study.

The research also showed that the exiting Western firms only accounted for 6.5 per cent of the total profit before tax of EU and G7 firms with active commercial operations in Russia.

They meanwhile accounted for 15.3 per cent of the total number of employees working for such firms in Russia.

This indicates that, on average, the exiting firms tended to have lower profitability and larger workforces than the firms that remain in Russia, the study said.

These findings, the university statement said, "call into question the willingness of Western firms to decouple from economies their governments now deem to be geopolitical rivals."