

AB Bank disburses loans among marginal farmers

STAR BUSINESS DESK

AB Bank Limited has disbursed agricultural loans among marginal farmers in Tungipara, the birthplace of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman.

Sheikh Tozammel Haque Tutul, mayor of Tungipara municipality, was present as the chief guest at the event. He handed over cheques to farmers at the Bangabandhu's memory-laden Gimadanga Tungipara Government Primary School in Gopalganj, said a press release.

A total of 107 farmers received loans from the bank through smart cards. With this, AB Bank started the journey of its smart accounts.

Tarique Afzal, president and managing director of the bank, presided over the programme. Senior officials of the bank and local dignitaries were also present on the occasion.



The MV Sahare, one of four container ships operated by HR Lines on the Chattogram-Colombo route, is seen in the picture. The subsidiary of Bangladesh's Karnaphuli Group recently added two more vessels to its fleet, taking the total number up to eight.

PHOTO: COLLECTED

HR Lines adds two more container vessels to fleet

DWAIPAYAN BARUA, Chattogram

Feeder-vessels operator HR Lines Limited, a subsidiary of Karnaphuli Group, has expanded its carrying capacity by adding two more container ships to its fleet.

Senior officials of Karnaphuli Group, the only company in Bangladesh to own container vessels, yesterday confirmed the acquisition of HR Turag and HR Balu, which have a carrying capacity of 1,100 TEUs and 1,700 TEUs respectively.

With these two, the number of container vessels owned by the firm will go up to eight with the fleet now having a combined carrying capacity of 11,840 TEUs.

HR Lines currently operates two liner services with one being the Chattogram-Singapore-Port Klang route while the other is the Chattogram-Colombo route.

According to Alphaliner, an internet-based reference and information source on liner shipping, HR Lines now ranks 74th among the top 100 global container carriers, and as per the local company, it is the largest South Asian owned container shipping line.

The eight HR line operated vessels are among at least 60-65 vessels that are currently operating between Chattogram and four transshipment hubs, namely Colombo, Singapore and two Malaysian ports – Port Klang and Tanjung Pelepas.

The total number of Bangladeshi owned ocean-going vessels, including bulk carriers and container vessels, rose to 91 at the end of 2022 from 80 a year ago.

According to the Mercantile Marine Department (MMD), two more Bangladesh flagged bulk vessels were added in January, raising the number to 93.

MMD officials said that with the new two container vessels, the number will now go up to 95, the highest so far.

According to market insiders, Karnaphuli Group already closed deals with two shipping lines – Maersk Line and SITC Container Lines – to purchase the two second-hand ships.

The company has invested around Tk 250 crore for the purchase.

In June 2020, HR Lines launched two container vessels – MV Sahare and MV Sarera – with each able to carry 1,550 TEUs of containers on the Chattogram-

Singapore-Port Klang-Chattogram route to introduce the Bangladesh Express Service.

In early 2021, the firm purchased four old container vessels from Singapore's Pacific International Lines (PIL) and its subsidiary PST Management Pte Limited at a cost of around Tk 2.25 billion.

Two of the four vessels, namely MV HR Hera and MV HR Rhea, that each have a capacity of 1,454 TEUs were first deployed on the Chattogram-Colombo route in March that year, when the operator introduced Chattogram-Colombo Express (CCE) services.

Later, HR Hera and HR Rhea were placed on the Chattogram-Singapore-Port Klang route with MV Sahare and MV Sarera to be redeployed on the Chattogram-Colombo route.

In October 2021, two more vessels – HR Farha and HR Aarai – that each have 1,550 TEUs carrying capacity were added to the CCE service.

Currently, the four vessels deployed on the Chattogram-Colombo route carry goods twice a week.

HR Lines is planning to deploy HR

Turag, one of the two new ships, on the Chattogram-Colombo route as well, which would enable it to operate thrice a week on average.

Hamdan Hossain Chowdhury, managing director of Karnaphuli Group, said they are planning to launch a shuttle service on the Chattogram-Singapore route with the HR Balu.

As local businesses mostly depend on foreign vessel operators, HR Lines is trying to expand the local fleet to help reduce foreign currency spending amid spiralling shipping costs.

HR Lines aims to keep at least one of its vessels at Chattogram port almost every day to sail either for Colombo, Singapore or Port Klang.

"We plan to acquire more ships during the course of this year and this will facilitate further enhancement and upgradation of our feeder services connecting Chattogram with major transshipment hubs," Chowdhury said.

"Our immediate focus is to deploy more than 50 per cent of the total trade tonnage between Chattogram and each of the hubs," he added.

bKash again ranked as number one 'Employer of Choice'

STAR BUSINESS DESK

Leading mobile financial service provider bKash has once again been ranked as the number one 'Employer of Choice' across all sectors for the third consecutive year, according to the results of the 'Campus Track Survey B-school: 2022' conducted by NielsenIQ.

NielsenIQ, a globally reputed organisation specialised in research, insights, data, and analytics, has been conducting the "Campus Track Survey" across the world.

bKash topped the 'Employer of Choice' list for the first time in 2020, bKash said in a statement yesterday.

The survey was carried out based on three key parameters: a) industry preference, b) job, salary and campus activities, and c) aspirational factors. In terms of Campus Recruiter Index (across all industries), bKash is ranked as top-of the list out of the 54 multinational and local organisations.

Goodwill of the company, positive work environment, growth and learning opportunities, attractive salary package, job stability and satisfaction, employee wellbeing, organisational culture and values enabled bKash to retain the number one position in the survey.

In the survey, the participants were final year BBA and MBA students who are in the class of 2022 in the top 19 universities in Bangladesh.

WB support sought for RMG development

STAR BUSINESS REPORT

The country's apparel makers have sought cooperation from the World Bank (WB) for the development of Bangladesh's garment sector.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), made the call yesterday at a meeting with Axel van Trotsenburg, managing director of operations of the WB, at the BGMEA office in Dhaka.

During the meeting, Trotsenburg led a delegation of senior officials of the global lender.

In the meeting, the BGMEA president apprised the WB of the future priorities of Bangladesh's RMG industry, including increased focus on moving up the value chain through innovation, product diversification, technology upgradation, and up-skilling and re-skilling of the workforce to remain sustainable and cost competitive.

The BGMEA chief also highlighted the tangible transformation of the garment industry in the areas of workplace safety, environmental sustainability and workers' wellbeing.

Hassan also sought WB's cooperation for financing small and medium enterprises (SMEs) to support their development and as they often cannot avail regular financing schemes due to stringent due diligence.

He urged the WB to provide the SMEs with low-cost finance so that they could upgrade their capability and adopt sustainability practices and thrive in the competitive market.

Dollar shortage bites pharma industry

FROM PAGE B1

Monjurul Alam, director for global business development at Beacon Pharmaceuticals, said although the sector is suffering while opening LCs for the time being, it might perform well in 2023 as the number of export destinations could increase.

According to him, the industry is struggling to continue business amidst the ongoing dollar crisis and the latest gas and power price hikes.

On June 18, the government raised the retail price of gas between 14.5 per cent and 178.9 per cent for industries, power plants and commercial establishments to lessen its unsustainable subsidy burden amid a narrow fiscal space.

It came less than a week after the tariff for electricity was revised upwards by 5 per cent.

The hike in gas and electricity prices would emerge as a major burden for the sector when it comes to maintaining competitiveness in the global market, Mohibuz said.

"If the situation persists, the sector will suffer a lot and struggle to survive."

Monjurul acknowledges that the industry has been facing a lot of troubles due to the falling raw material imports amid the restrictions on the opening of LCs. "There is no way to avoid the rising cost of production due to the increase in the dollar price."

The taka has lost its value by about 25 per cent against the US dollar since Russia's war in Ukraine began in February last year.

Prof Mustafizur Rahman, a distinguished fellow at the Centre for Policy Dialogue, called for a careful examination to know the problems the businesses are facing.



» Markets size: Tk **35,000cr**

» Export earnings in FY22: **\$188.78m**

» Major players: Square, Beximco, Incepta, Eskayef, Beacon, ACI, Opsonin, Renata

» Market share held by major companies: **90%**

» Share of generic drugs: **75%**

» Export destinations: **150**

» Total companies: over **250**

He said the Bangladesh Bank was providing support by injecting dollars from its reserves to ensure the import of essentials.

"Health and well-being are as essential as food and energy. So, it demands closer scrutiny to ensure that supply, availability and prices are not affected."

Square Pharma's Zahangir urged the central bank to open a window to ensure LC opening for drug makers.

"The gas prices are going up. So, the cost of production would be higher for drug makers."

Though the costs of production have risen, manufacturers can't pass on the entire cost to consumers.

The price adjustment is only possible after taking approval from the Directorate General of Health Services, said Zahangir.

Pharma exports witnessed a downward trend recently due to the global economic crisis. Shipment dropped 12.06 per cent to \$92.78 million between July and December, data from the Export Promotion Bureau showed.

BGMEA to urge

FROM PAGE B1

linkage industry including textiles and accessories has also grown significantly in recent decades," said Hassan.

"Now we are almost self-sufficient in knit fabric, though supply of woven fabric from local mills still remains inadequate," he said in a letter drafted for international retailers and brands sourcing from Bangladesh.

The BGMEA would start sending the letter to the international retailers and brands soon.

He said on the other hand, the local accessories industry has the capacity to meet almost 100 per cent demand.

However, Bangladesh still has to gain strength in the production of a number of special accessories and some specialised knit fabrics, particularly that from man-made fibre, polyester and synthetics. "We don't have enough capacity at this moment," he said.

"So, we need to import those. Here our observation is that in many cases buyers used to nominate the source of fabrics and accessories for import," he said.

And in most of the cases, a single source is nominated with no other option, said Hassan.

"You would agree that in principle it somehow distorts the business environment and competition, which otherwise would have helped to ensure better quality, better cost and flexibility had the manufacturers had the option of multiple supplier nomination," the letter also said.

"So, I would humbly request you to kindly consider this request to nominate multiple suppliers for one particular input for which we are not competitive enough and which has to be imported, so that we have the option to negotiate and also check the quality," he said.

At the same time, he requested the international retailers and brands to encourage the suppliers in Bangladesh to invest more in those specialised items.



Abul Kashem Md Shirin, managing director of Dutch-Bangla Bank, attends the bank's "Managers' Conference-2023" in Dhaka recently. Branch managers from 238 branches of the bank attended the conference. Deputy managing directors, divisional heads and senior executives of head office of the bank also attended the event.

PHOTO: DUTCH-BANGLA BANK



Nurul Islam Nahid, former education minister, cuts a ribbon to inaugurate Pubali Bank's Sonasar Bazar sub-branch in Zakiganj of Sylhet yesterday. Abu Laich Md Shamsujjaman, general manager of Sylhet principal office of the bank, presided over the event, where Habibur Rahman and Rana Laila Hafiz, directors, Hafiz Ahmed Mazumder, lawmaker from Sylhet-5, and Md Habibe Millat, lawmaker from Sirajganj-2, were present.

PHOTO: PUBALI BANK

Euro scales 9-month peak

REUTERS, London

The euro hit a nine-month peak against the dollar on Monday as comments on European interest rates signalling additional jumbo rate rises contrasted with market pricing for a less aggressive Federal Reserve.

The euro reached as high as \$1.0927, breaking the recent peak of \$1.08875, to trade at its highest level since April last year.

It was aided by European Central Bank (ECB) governing council member Klaas Knot, who said interest rates would rise by 50

basis points in both February and March and continue climbing in the months after.

A Reuters survey of analysts also favoured a hike of 50 basis points in March and an eventual top of 3.25 per cent from the current rate of 2 per cent.

The euro is also being supported by an easing of recession fears amid a fall in natural gas prices, according to Rabobank head of currency strategy Jane Foley.

"The growth in confidence in the economic outlook, or at least the removal of a lot of the pessimism, is part of the euro story," Foley said.

BB brings back

FROM PAGE B1

ceiling on the loan disbursement of the bank before relaxing the conditions later.

This is because non-performing loans have remained at an elevated level: defaulted loans at NBL stood at Tk 11,336 crore in September, up 147 per cent from a year ago, data from the BB showed.

Neither Mehmood Husain nor Ron Haque Sikder, a director of the bank, could be reached for comments, while the contact number of Syed Rois Uddin, a deputy managing director and the acting MD of NBL, was not immediately available.