



A herd of buffalo rests on sand after grazing on the chars of the Jamuna river. Farmers adopt the practice along vast swathes of the riverbank traversing Bogura, Gaibandha and Sirajganj to reduce costs for purchasing feed. The picture was taken on Tengrakandi Char in Phulchhari upazila of Gaibandha last week.

PHOTO: MOSTAFA SHABUJ

SIBL's chairman, AMD resign



Md Mahub Ul Alam

Abu Reza Md Yeahia

STAR BUSINESS REPORT

Social Islami Bank Limited's Chairman Md Mahub Ul Alam and Additional Managing Director Abu Reza Md Yeahia resigned last week.

Both cited "personal reasons" in their resignation letters, according to officials of the Shariah-based bank on condition of anonymity.

An official of the bank said that Alam went to the United States last week and soon after, he submitted his resignation letter to the board.

Yeahia, a former deputy managing director of Islami Bank Ltd Bangladesh (IBBL), has not come to the bank since January 29, said the official.

Alam and Yeahia could not be reached for comments despite repeated attempts.

Zafar Alam, managing director of SIBL, did not respond to The Daily Star's request for comments.

Alam served on the board of SIBL as a director nominated by Abasan (Pvt) Ltd, a concern of Chattogram-based business conglomerate S Alam Group.

READ MORE ON B3

Dollar crisis puts textile millers in a tight spot

They struggle to open LCs for raw material import

REFAYET ULLAH MIRDHA

The ongoing dollar shortage in the banking sector is posing a threat to local textile millers and spinners as they are in trouble in opening letters of credit (LCs) to import raw materials and cotton to feed the country's readymade garment industry.

It comes even after international retailers and brands have placed 25 per cent fewer orders for readymade garment items for the October-April season that have translated into a significant fall in orders for the primary textile sector.

Owing to the crunch of the American greenback, most of the local banks are currently taking 10 to 15 days more compared to the usual time in the case of opening the LCs. This may affect the import of raw materials such as cotton, dyes chemicals, viscose and staple fibre vital for manufacturing garment items sold in the export markets.

Also, primary textile millers,

which have already seen an investment of more than \$20 billion to serve the growing apparel industry, aren't running at their full capacity.

Because of the US dollar shortage driven by escalated import bills against lower export and remittance receipts, the Bangladesh Bank has

foreign banks operating in Bangladesh are taking two or three days to open LCs as they have the dollar. Local banks with a strong foundation are

also taking five to seven days. The LC opening for raw cotton dipped by 41.64 per cent to \$1.02 billion. The opening of LCs to buy cotton yarn, synthetic fibre and yarn also fell sharply during the first half of the fiscal year.

Foreign banks operating in Bangladesh are taking two or three days to open LCs as they have the dollar. Local banks with a strong foundation are

also taking five to seven days. "But the banks that are suffering from the shortage of US dollars are taking 15 to 20 days and in some cases, 30 days to open the LCs," said Khan. Banks, however, are prioritising export-oriented garment factories.

Khan's factory has far been immune to the dollar crunch as the garment exporter can open LCs as its bank has set aside the American greenback for it against its export receipts.

Md Abdur Rouf, executive director at Simco Spinning & Textiles, says the import of some fibre is getting delayed.

A miller has to import at least 25 per cent of the raw materials it consumes.

Owing to the raw material shortage, Simco Spinning is producing seven tonnes of yarn daily, down from its capacity of manufacturing 20 tonnes of yarn.

READ MORE ON B3

GP profits down by Tk 400cr

STAR BUSINESS REPORT

Grameenphone's profits dropped by around Tk 400 crore in 2022 mainly due to a ban on the sale of its SIM for six months.

The largest listed telecom company's profit after tax dropped by 11 per cent to Tk 3,010 crore in the year ending recently. It was Tk 3,412 crore in the previous year.

Thus, its earnings per share stood at Tk 22.29 whereas it was Tk 25.28 previously. Its profit margin dropped to 20 per cent in the year which was 24 per cent in 2021.

Though its profits fell, the telecom company's revenue crossed Tk 15,000 crore for the first time. In the previous year, its revenue amounted to Tk 14,306 crore.

On June 29, 2022, the telecom regulator banned Grameenphone's SIM sales until it "improves its quality of service including bringing down call drop rate".

The ban was lifted on January 3, 2023.

Businesses suffer for C&F agents' 7-hour strike

STAFF CORRESPONDENT, Chattogram

Import-export activities at all customs stations across Bangladesh, including Chattogram port, were suspended for about seven hours yesterday as clearing and forwarding (C&F) agents observed a strike from 9:00am to 4:00pm to drive home their eight-point demand.

C&F agents had gathered at the main gate of the customs house in Chattogram port, as well as those in other parts of the country, to demand the amendment of laws related to licencing and the HS (harmonised system) code.

In addition, they urged authorities to not hold C&F agents liable for mistakes made by importers.

The C&F agents eventually withdrew their strike after Abu Hena Md Rahmatul Muneem, chairman of the National Board of Revenue, welcomed them to meet for a discussion on these issues on February 7.

Officials of Chattogram port said the strike may have halted the entry and exit of goods, but the loading and

unloading of ships as well as other activities had remained normal.

Still, importers and exporters suffered a great deal as their shipments were delayed until port activities resumed in full after 4:00pm.

Importers and exporters suffered a great deal as their shipments were delayed until port activities resumed in full after 4:00pm

An average of five to seven thousand import consignments and an equal number of export consignments are usually handled by Chattogram port each day.

Mominul Haque, managing director of Shahi Telecom, said they have to rely on C&F agents to clear their goods from customs stations in the country.

"But they stop unloading goods to meet their demands at different times and as a result, many traders become hostages," he added.

READ MORE ON B3

Adani firms lose \$65b in value

REUTERS, New Delhi

Most Adani Group shares fell sharply on Monday as the Indian conglomerate's rebuttal of a US short-seller's criticism failed to pacify investors, deepening a market rout that has now led to losses of \$65 billion in the group's stock values.

Led by Asia's richest man Gautam Adani, the Indian group has locked horns with Hindenburg Research and on Sunday hit back at the short-seller's report of last week that flagged concerns about its debt levels and the use of tax havens.

Adani said it complied with all local laws and had made the necessary regulatory disclosures.

Adani Transmission, Adani Total Gas, Adani Green Energy, Adani Power and Adani Wilmar fell between 5 per cent and 20 per cent on Monday.

Flagship Adani Enterprises, which is facing a crucial test this week with a follow-on share offering, swung between gains and

READ MORE ON B3

Runner to launch locally-made auto-rickshaws

Sales begin from Feb 11

JAGARAN CHAKMA

Runner Automobiles is all set to launch the country's maiden "Made in Bangladesh" three-wheeled auto-rickshaw on February 11.

At least 70 per cent of the vehicle, including the chassis, body and tyre, except for some components of the engine, is said to have been made locally through technical collaborations with Indian automaker Bajaj Auto.

In global practice, the country of origin of a vehicle is mentioned if at least 30 per cent of the components are made locally.

Experts of Bajaj have supervised the manufacturing process at Runner's factory in Mymensingh's Bhaluka and conducted test runs of the vehicle, which can run on liquefied petroleum gas (LPG) and compressed natural gas (CNG).

The vehicle will cost at least 15 per cent less than ones currently imported, said

Runner officials. Imported auto-rickshaws can currently end up costing at least Tk 6 lakh.

Around 16,500 three-wheelers were registered on an average per year in the past 12 years, according to Bangladesh Road Transport Authority.

Established on 9.2 acres of land at cost of Tk 300 crore, the Runner factory can churn out 30,000 vehicles per year to meet local demand and for

export. It created jobs for 300 people. The factory comprises modern welding lines, electrochemical painting processes, slot conveyors controlled by automation, torque controlled pneumatic guns, dynamometers and equipment to test suspensions and engines.

"I believe this plant will help revolutionise the country's automobile sector and make a significant contribution to the economy," said Hafizur Rahman Khan, chairman of Runner Group.

If the government provides policy support, the vehicles can be sold around the world, he said.

"All the workers at our factory are fully trained," Khan said. Runner states it was a brand in competition with foreign renowned brands by providing quality at every stage of production and proper after-sales service.



STOCKS	
DSEX ▼	CASPI ▼
0.15%	0.20%
6,278.84	18,533.30

COMMODITIES	
Gold ▼	Oil ▼
\$1,923.59	\$79.67
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.29%	▲ 0.19%	▼ 0.47%	▲ 0.14%
59,500.41	27,433.40	3,378.29	3,269.32

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আধুনিক ও উন্নত গ্রাহক সেবার অঙ্গীকার নিয়ে আনুষ্ঠানিক

সুড উদ্বোধন

বরিশাল শাখা

০৯ জানুয়ারি ২০২৩

বরিশাল শাখা

আহমত আলী খান (এ.কে.) হাই স্কুল ভবন, হোল্ডিং নং-৩৮৮
কে.বি. হোমোয়েড উদ্দিন রোড, গীর্জা মহল্লা, ওয়ার্ড নং-০৯
বরিশাল সিটি কর্পোরেশন, থানা-সদর, জেলা-বরিশাল

আমাদের আন্তরিক সেবা গ্রহণে আপনাকে সাদর আমন্ত্রণ।

midlandbank

Agrani Bank honours RU meritorious students

STAR BUSINESS DESK

A total of 96 students who secured first position in various departments of the University of Rajshahi have been awarded "Bangabandhu Swarna Padak, Agrani Bank".

Education Minister Dipu Moni handed over the awards in a ceremony organised at the university's Kazi Nazrul Islam Auditorium in Rajshahi yesterday, said a press release.

Habib Bank, which Agrani Bank was known as earlier, introduced a "Habib Bank Swarna Padak" in 1965 for the university's meritorious students.

Since 1989, it was presented under the name "Agrani Bank Swarna Padak". Later the name was changed to "Bangabandhu Swarna Padak, Agrani Bank".

Vice-Chancellor Prof Golam Sabbir Sattar presided over the event where Md Murshedul Kabir, managing director of Agrani Bank, was present.

Prof Sultan-ul-Islam and Prof Humayun Kabir, pro-vice-chancellors, and Prof Md Abaydur Rahman Pramanik, treasurer, were also present.



Maize alongside coal used in roasting them near the venue of the 27th Dhaka International Trade Fair in Purbachal of Dhaka. Vendors purchase the cereal grain at wholesale from the capital's Shyambazar for sale at Tk 50 apiece to visitors at the fair. The photo was taken on Friday.

PHOTO: SK ENAMUL HAQ

Stocks keep falling amid selling spree

STAR BUSINESS REPORT

All indexes of Dhaka and Chittagong stock exchanges fell yesterday as worried investors kept their selling spree amid disappointing quarterly earnings reported by listed companies.

Firms listed on the bourses in Bangladesh have begun publishing their earnings reports for the October-December quarter. Data from the exchanges showed that their earnings either declined compared to a year ago. Some have reported losses as well.

As a result, the DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), lost 9 points, or 0.15 per cent, to close the day at 6,278.

The DS30, the blue-chip index, slid 0.24 per cent to 2,225 while the DSES, the shariah-compliant index, dropped 0.12 per cent to 1,370.

However, turnover, an important indicator of the market, however, rose about 4 per cent to Tk 509 crore. Of the securities, only 32 advanced, 135 declined, and 170 did not show any price movement.

Shares on the DSE remained in red for the second consecutive session as the shaky investors continued their selling

binge amid the quarterly declaration of earnings, said International Leasing Securities Limited.

Following Sunday's fall, the trading began yesterday with negative a tone and this continued till the closure as investors liquidated their investment from the stocks that reported de-growth in quarterly earnings, it said.

Turnover rose about 4 per cent to Tk 509 crore. Of the securities traded, 32 advanced, 135 declined, and 170 did not show any price movement

"Bargain-hunters tried to reverse the downward trend during the mid session but failed."

Eastern Lubricants Blenders topped the gainers' list with an increase of 6.2 per cent. Orion Infusion was up 5 per cent, Genex Infosys rose 4 per cent, Intraco Refueling Station advanced 2.7 per cent, and Bangladesh Monospool Paper Manufacturing gained 2.4 per cent.

Aamra Technologies was the worst-

performing issue on the day as it lost more than 8.3 per cent. JMI Hospital Requisite Manufacturing, Pioneer Insurance Company, BD Thai Food & Beverage, and Asia Insurance also suffered substantial losses.

Genex Infosys was the most-traded stock on the day with its shares worth Tk 59 crore transacted. Bashundhara Paper Mills, Aamra Networks, Eastern Housing, and Intraco Refueling Station witnessed significant turnover.

Among the sectors, service was up 0.5 per cent. The travel sector was down 1.9 per cent, the paper sector shed 1.4 per cent, and the general insurance declined 1.4 per cent.

Investors' activities were mainly focused on the IT sector, accounting for 25.4 per cent of the day's total turnover. The pharmaceuticals sector captured 9.6 per cent and the paper represented 9.3 per cent of the turnover.

The Caspi, the all-share price index of the Chittagong Stock Exchange, dropped 37 points, or 0.2 per cent, to close at 18,533.

Of the issues, 25 rose, 62 retreated, and 65 did not see any price swing.

Turnover at the bourse in the port city, however, surged 97 per cent to Tk 12.88 crore. It was Tk 6.53 crore on Sunday.

Global Islami Bank launches Mudarabah savings account

STAR BUSINESS DESK

Global Islami Bank has launched a "Mudarabah" savings account titled "Ehsan" to offer banking services to marginalised communities of the country.

Md Abul Bashar, executive director of Financial Inclusion Department of Bangladesh Bank, launched the service at a programme in Dhaka, said a press release.

Syed Habib Hasnat, managing director of Global Islami Bank, presided over the programme where Md Golam Sarwar and Kazi Mashur Rahman Jayhad, additional managing directors, Sami Karim, deputy managing director, and SM Mizanur Rahman, head of investment, were present.

EU ambassador for investing in Bangladesh

STAR BUSINESS DESK

Bangladesh has built a solid partnership with European Union in the recent past and there are areas and opportunities to invest here, said Charles Whiteley, ambassador and head of delegation of the European Union (EU) to Bangladesh.

During a visit to LafargeHolcim Bangladesh's plant in Chhatak of Sunamganj recently, he said the company had made "the highest foreign direct investment in the construction sector".

Going round the facilities, he said, "I am glad to see the health and safety standard, operational excellence, sustainable community development and innovation initiatives taken by the company."

The ambassador wished the company success and took part in a tree plantation programme.

Mohammad Iqbal Chowdhury, chief operating officer, Asif Bhuiyan, chief corporate affairs officer, and Harpal Singh, head of industrial operations, welcomed Whiteley at the plant, said a press release.

AB Bank disburses agri loans thru smart cards

STAR BUSINESS DESK

AB Bank disbursed agricultural loans to small and marginal farmers through smart cards in Barishal.

Serniabat Sadiq Abdullah, mayor of Barishal City Corporation, attended the agricultural loan distribution programme organised by AB Bank at Abdur Rab Serniabat Stadium in Barishal, said a press release.

Tarique Afzal, president and managing director of AB Bank, presided over the event, where Swapan Kumar Das, executive director of Bangladesh Bank's Barishal office, Shawkat Osman and Harun-Ur-Rashid, additional directors of the Department of Agricultural Extension, were present.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (JAN 30, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	1.5 ↑	5.47 ↑
Coarse rice (kg)	Tk 46-Tk 50	-2.04 ↓	1.05 ↑
Loose flour (kg)	Tk 58-Tk 60	-1.67 ↓	66.2 ↑
Lentil (kg)	Tk 95-Tk 100	-4.88 ↓	0
Soybean (litre)	Tk 168-Tk 170	-3.43 ↓	14.58 ↑
Potato (kg)	Tk 25-Tk 30	44.74 ↑	83.33 ↑
Onion (kg)	Tk 35-Tk 40	-9.64 ↓	25 ↓
Egg (4 pcs)	Tk 40-Tk 45	16.46 ↑	18.06 ↑

SOURCE: TCB



Habibur Rahman, managing director of the South Bangla Agriculture & Commerce (SBAC) Bank, inaugurated a branch at Coral Reef Plaza in Cox's Bazar's Bazar Ghata area on Sunday. Md Mizanur Rahman, additional superintendent of police of Cox's Bazar Sadar Circle, Md Abdul Matin, deputy managing director of the bank, Kosholoy Sen, executive vice-president, and Mohammad Shafiu Azam, senior vice-president, were present.

PHOTO: SBAC BANK



Zafar Alam, managing director of Social Islami Bank, attends the bank's "Sub-branch Business Conference-2023" at a hotel in Dhaka on Saturday. Mohammad Forkanullah, deputy managing director, and Kazi Obaidul Al-Faruk, head of human resources division, were present.

PHOTO: SOCIAL ISLAMI BANK



Md Shafiqul Islam, managing director of Elite Hitech Industries, attended a 6th Dealer Conference at Pan Pacific Sonargaon Dhaka on Saturday. Md Noor A Alam, deputy managing director, was present.

PHOTO: ELITE HITECH INDUSTRIES



Md Abdul Kader, deputy managing director of Bangladesh Commerce Bank, and Morshed Ahmed Chowdhury, head of operations of Asgar Ali Hospital, signed an agreement in Dhaka recently over medical services. Md Tajul Islam, managing director of the bank, Kazi Md Rezaul Karim, deputy managing director, Kabir Uddin Tushar, senior general manager for marketing and business development of the hospital, and Maruf Bin Hafiz, manager for corporate affairs, were present.

PHOTO: BANGLADESH COMMERCE BANK

Euro zone economic sentiment rises

REUTERS, Brussels

Euro zone economic sentiment rose to a seven-month high in January on more optimism across all sectors except construction, with inflation expectations among consumers and companies both sharply down, data showed on Monday.

The European Commission's Economic Sentiment Index (ESI) rose to 99.9 this month, above an upwardly revised 97.1 in December - the highest value of the index since June 2022.

The rising optimism underlines expectations that an expected economic downturn in the 20 countries sharing the euro, if there is one at all, is likely to be shallow, despite the energy price and cost of living crises and the war in Ukraine.

Paolo Grignani, economist at Oxford Economics, said the increase confirmed the worst was over for the euro zone.

But the improving sentiment, and therefore better economic

growth prospects, would likely keep the European Central Bank raising interest rates to curb inflation that was above 9 per cent in December against the bank's target of 2 per cent.

"The gradual improvement in confidence will likely reassure the ECB of the necessity of more hikes in the coming months," Grignani said.

The monthly Commission survey showed inflation expectations among consumers falling to 17.7 in January from 23.2 in December, well below the long-term average of 20.0, a trend that is likely to please the ECB.

Selling price expectations among manufacturers also dropped sharply to 31.9 in January from 37.8 in December in a sign of inflationary pressure early in the pipeline were receding too.

The Commission said optimism in industry rose to 1.3 from 0.6 in December and in services to 10.7 from 7.7. The mood among consumers improved to -20.9 in January from -22.1 and in the retail sector to -0.8 from -2.7.

Two concerns

FROM PAGE B4

another concern of Beximco Group, almost doubled to Tk 3.64 crore in the July-December period of the ongoing fiscal year.

During the first half of fiscal 2022-23, the company's export revenue grew 5.43 per cent to Tk 45.7 crore while it was Tk 43 crore during the corresponding period of the year before.

At the same time, its domestic sales increased by 55.89 per cent to Tk 48 crore from Tk 30.8 crore previously.

The company's overall sales revenue (including incentives on export) increased to Tk 98 crore while it was Tk 76.3 crore during the same period in fiscal 2021-22.

Although higher raw material, wage, spare part, maintenance and energy costs pushed up the cost of goods sold, higher sales revenue resulted in better profits, according to Shinepukur's financial report.

Stocks of Beximco Limited yesterday remained the same at Tk 115.6 while that of Beximco Pharmaceuticals dropped 0.34 per cent to Tk 146.

Likewise, stocks of Shinepukur Ceramics fell 0.86 per cent to Tk 46.



Potential buyers are seen perusing the wares at a stall selling stainless steel crockery at the 27th edition of the Dhaka International Trade Fair in Purbachal. Although the number of visitors has increased compared to last year, sales are still lower than what they were when the event was held in Agargaon. The picture was taken recently. PHOTO: STAR

DITF participants see lower sales for second year running

The monthlong show ends today

MD ASADUZ ZAMAN and SUKANTA HALDER

The 27th edition of the Dhaka International Trade Fair (DITF), which ends today at its new venue in Dhaka's Purbachal, may have seen a higher turnout but overall sales were lower compared to when the monthlong event was held in Agargaon, according to participants.

"A lot of visitors came to the fair but sales were not satisfactory," said Tafazzal Hossain Sarker, senior assistant general manager of Alloy Aluminium Furniture Limited.

Compared to when the fair was held in Agargaon, sales have decreased by around 60 per cent this time around, he added, citing how potential visitors are discouraged by the event's now remote location.

Sarker then said another reason behind the lower sales is that people are spending less amid the ongoing inflationary pressure stemming from global economic crises, such as the Russia-Ukraine war.

Mohammad Forhad, deputy managing director of SKB Stainless Steel Mills Limited, said this year's DITF has gone well for them.

However, he too opined that the number of visitors was higher when the event was held in Agargaon.

"But in the future, the fair will be good," he added.

Saidur Rahman, the owner of Raihan fashion, said they saw higher sales in the last four to five days.

"Due to various reasons, including communication problems, sales at this year's fair have been 20 per cent less than normal," he added.

Mohammad Sahin Alam, manager of Exclusive Home Tex Industries Limited, said companies mainly participate in the fair for promoting their brands.

Another reason behind the lower sales is that people are spending less amid the ongoing inflationary pressure stemming from global crises, such as the Russia-Ukraine war

"So, from that point of view, we are happy," he added.

Md Ittikher Ahmed Chowdhury, secretary of the Export Promotion Bureau, said around 30 lakh people visited the fair this year.

The closing ceremony will be held

today with Jute and Textiles Minister Golam Dastagir Gazi expected to attend as chief guest.

A total of 315 stalls and 57 pavilions were set up at the event this year. Of them, around 17 stalls were operated by foreign companies from 10 countries, including Singapore, Hong Kong, Indonesia, Turkey, Malaysia, India, Pakistan, South Korea.

Asked about the total amount of export orders received through the fair, Chowdhury said the data is being compiled and could be announced today.

Regarding the turnout, Salauddin Bhuiyan, owner of Abdullah and Sons, who got the lease for the fair's entrance gate, said the number of visitors was actually lower as around 11.50 lakh tickets were sold.

"Last year, some 10 lakh tickets were sold," he added.

JBCCI stresses Japan-Bangladesh partnership deal

STAR BUSINESS DESK

A delegation of the Japan Bangladesh Chamber of Commerce and Industry (JBCCI) led by its president, Hikari Kawai, made a courtesy call on Commerce Minister Tipu Munshi at his secretariat office in Dhaka yesterday.

During the meeting, the delegation briefly discussed ways to enhance bilateral trade and investment, said a press release.

Kawai gave a brief outline of the JBCCI and its contribution to promoting bilateral trade and laid emphasis for an economic partnership agreement to be signed between Bangladesh and Japan.

He mentioned that the JBCCI had formed a standing committee to collect relevant information on signing an EPA.

The commerce minister thanked the delegation for discussing matters pertaining to a possible EPA and expressed interest on working together for positive results for both countries.

M Jalalul Hai, vice-president, Md Anwar Shahid, secretary general, Tadaoki Watanabe, treasurer, Matiur Rahman and Md Shariful Alam, advisers, Mohammed Sohel, Saori Fujimoto and Nayeemur Rahman, directors, and Md Emran, executive director, were in the delegation.

Emirates offers free night stay in Dubai

STAR BUSINESS DESK

Travellers who purchase an Emirates return ticket in first or business class or stopping over in Dubai will be able to enjoy a complimentary night stay at the Fairmont The Palm hotel, one of the iconic hospitality properties in Dubai.

The offer came into effect yesterday and will be available till February 13 this year, said a press release.

Bookings should be made at least 72 hours in advance of passengers' arrival.

Fairmont The Palm is the ideal luxury resort for couples and families. The resort offers 381 lavish rooms and suites overlooking the stunning Arabian Gulf and the incredible Dubai skyline.

Guests can experience some of the world's finest flavours at a choice of 10 restaurants and bars.

Guests traveling with young ones can enjoy "Fairmont Falcons Kids' Club" which offers extensive activities for children from 3 years up to 15 years old in friendly and cozy surroundings while guests looking for some relaxation can indulge in a treatment in the renowned Fairmont Willow Stream Spa.

The luxurious resort also includes four outdoor temperature-controlled swimming pools, private white sand beach and a state-of-the-art health club.

Saudi Arabia may lower crude prices for Asia

REUTERS, Singapore

Saudi Arabia, the world's largest oil exporter, may trim prices for crude grades sold to Asia for a fourth straight month in March, amid low physical oil premiums, as oversupply worries linger despite expectations of demand recovery in China.

State oil company Saudi Aramco may lower the official selling price of its flagship Arab Light crude by about 30 cents to Asian clients for March-loading cargoes, a Reuters survey of four refining sources showed.

That would reduce the overall differential to around \$1.50 a barrel above the average of Platts Dubai and Dubai Mercantile Exchange's Oman quotes, the lowest since November 2021.

"The overall demand for medium-grade oil in Asia remains tepid,

and China's consumption may not come back in the near term," said a Singapore-based respondent.

The top oil importer China is projected to see a fuel demand revival as Beijing rolled back the stringent zero-Covid strategy, although the path of recovery could be bumpy given the country's surging infection cases.

China's oil trading giant Unipet has snapped up low-priced supplies of crude from Abu Dhabi, Brazil and North America in January.

However, the supply overhang remains clouding the Asian market as China and India continue to scoop up discounted Russian barrels.

The European Union is set to ban Russian oil products imports from February 5, which is expected to curb Russia's oil processing and lead to more crude oil exports.

SIBL's chairman, AMD resign

FROM PAGE B1

Before joining SIBL, he served First Security Islami Bank as an adviser and IBBL as its managing director.

The resignations came at a time when SIBL continues to make headlines for irregularities and anomalies.

A BB official said that the bank recently disbursed a large amount of loans breaching banking norms, which worsened its financial health.

In December, the BB instructed five Shariah-based banks, including SIBL, to inform it if a loan of Tk 10 crore and above is approved. Furthermore, they were asked not to disburse any loan beyond Tk 50 crore. The move is aimed at restoring discipline at the lenders.

The four other banks are IBBL, First Security Islami Bank, Union Bank and Global Islami Bank.

The banks also took emergency funds to the tune of Tk 14,790 crore from the central bank in December to tackle the acute liquidity crisis. Such funds are usually taken during extraordinary circumstances.

The central bank has recently investigated allegations of gross irregularities at IBBL over the disbursement of loans amounting to Tk 7,246 crore last year.

Reports about the investigation's initiation led to a confidence crisis of depositors in the five banks, which are either fully or partially controlled by S Alam Group.

This compelled the five to take liquidity support of Tk 5,250 crore from the central bank last month.

Dollar crisis

FROM PAGE B1

"We are facing two problems. On the one hand, we are facing difficulties in opening LCs. On the other hand, local garment manufacturers are delaying making payments against back-to-back LCs," said a spinner, asking not to be named.

Two distinct LCs are used in back-to-back LCs: one is given to the intermediary and issued by the buyer's bank while the other is issued by the intermediary's bank to the seller where the seller is a beneficiary. The first LC serves as the collateral for

the second one.

Khorsheed Alam, chairman of Little Star Spinning Mills Ltd, says he has been trying for nearly a month to open an LC worth \$1.1 million to import raw materials and spare parts. The mill produces yarn to make saris and lungis to be sold during Ramadan.

"The multiplier effects of the delay in opening LCs on the local primary textile sector will be felt after three to four months if the situation does not improve soon."

Faruque Hassan, president of the

Bangladesh Garment Manufacturers and Exporters Association, the apparel exporters' platform, says orders fell by nearly 25 per cent for the October-April season.

Abdullah Al Mamun, vice-president of the Bangladesh Textile Mills Association, the platform for the primary textile millers, says orders in the textile and spinning mills fell more than 25 per cent between July and December compared to a year ago.

"If the LC opening situation persists, the sector will face the crisis of raw materials," he warned.

Businesses suffer

FROM PAGE B1

Haque then said that as he could not assess his consignment amid yesterday's strike, he is having to count higher demurrage charges for keeping goods at the port.

Kazi Imam Hossain Bilu, general secretary of the C&F Agents Association in Chattogram, said the strike was only called off as the NBR and customs officials assured that they would consider the demands.

"If they do not amend those rules, we will go tougher movements," he added.

Mohammad Fyzur Rahman, commissioner of the Custom House Chattogram, said the NBR had already fixed February 7 to hold a meeting with C&F agents a few days ago.

"So, we don't know why they are going on strike before the meeting," he added.

Customs sources said C&F licence

holders are allowed to operate for a specified period after passing a written test to qualify. The Customs Agents Licensing Rules-2020 included a requirement for successors of the licence to pass the examination as well to become a certified C&F agent.

However, C&F agents are demanding that transfers of licence ownership be allowed for successors without any examination.

German economy shrinks in Q4

REUTERS, Berlin

The German economy unexpectedly shrank in the fourth quarter, data showed on Monday, a sign that Europe's largest economy may be entering a much predicted recession, though likely a shallower one than originally feared.

Gross domestic product decreased 0.2 per cent quarter on quarter in adjusted terms, the federal statistics office said. A Reuters poll of analysts had forecast the economy would stagnate.

In the previous quarter, the German economy grew by an upwardly revised 0.5 per cent versus the previous three months. A recession - commonly defined as two successive quarters of

contraction - has become more likely, as many experts predict the economy will shrink in the first quarter of 2023 as well.

"The winter months are turning out to be difficult - although not quite as difficult as originally expected," said VP Bank chief economist Thomas Gitzel. "The severe crash of the German economy remains absent, but a slight recession is still on the cards."

German Economy Minister Robert Habeck said last week in the government's annual economic report that the economic crisis triggered by the Russian invasion of Ukraine was now manageable, though high energy prices and interest rate rises mean the government remains cautious.

Adani firms lose

FROM PAGE B1

losses before settling 4.8 per cent higher. It stayed well below the offer price of the issue, which if successful will be largest such share offering ever in India.

Adani Enterprises' \$2.5 billion secondary share sale closed its second day amid weak investor sentiment. The stock closed at 2,892.85 rupees, 7 per cent below the 3,112 rupees lower end of the offer price band. The upper band is 3,276 rupees.

Data from stock exchanges on Monday showed Adani has now received bids for 1.4 million shares, or just over 3 per cent, of the 45.5 million shares on offer. The deal closes on Tuesday.

Foreign and domestic institutional investors, as well as mutual funds, have made no bids so far, according

to the data.

"Retail participation is likely to have a shortfall with current market prices still trailing the offer price and sentiment taking a hit due to the Hindenburg controversy," said Hemang Jani, equity strategist at Motilal Oswal Financial Services.

"While there is a risk that the share sale does not go through, it will be crucial today to wait and see how institutional investors participate."

Abu Dhabi conglomerate International Holding Company said on Monday it would invest 1.4 billion dirhams (\$381.17 million) in the offering.

Adani Group told Reuters in a statement on Saturday that the sale remained on schedule at the planned issue price, even as sources said bankers of the country's

largest secondary share sale were considering extending the timeline beyond Jan. 31, or tweaking the price due to the fall in its share price.

Indian regulations say the share offering must receive minimum subscription of 90 per cent, and if it does not the issuer must refund the entire amount. Maybank Securities and Abu Dhabi Investment Authority are among investors who bid for the anchor portion of the issue.

Maybank said in a statement "there is no financial impact" on it as the subscription to Adani's offer was fully funded by client funds.

State-run insurance behemoth Life Insurance Corporation (LIC) told Reuters on Monday it was reviewing the Adani Group's response to Hindenburg's report and would hold talks with the management within days.



A part of Chattogram port, which is usually bustling with workers, is seen oddly empty as Bangladesh's import-export activities have slowed in recent months due to complications stemming from the Russia-Ukraine war and US dollar shortage. As such, workers at the country's premier seaport have seen their income dwindle. The photo was taken recently.

PHOTO: RAJIB RAIHAN

Atlas loss extends

STAR BUSINESS REPORT

Atlas Bangladesh Ltd suffered a loss of Tk 2.72 crore in the first quarter of the current financial year.

The state-owned motorcycle manufacturer and importer posted a loss of Tk 1.89 crore in the October-December quarter a year earlier.

Thus, Atlas Bangladesh reported a loss of Tk 0.82 per share in the first half of FY23, up from the Tk 3.05 crore loss it made in the July-December half of FY22.

The company also suffered a loss of Tk 2.15 crore in the first quarter of FY23.

Atlas Bangladesh witnessed a loss of Tk 4.89 crore in the first half of FY23, up from the Tk 3.05 crore loss it made in the July-December half of FY22.

In a posting on the Dhaka Stock Exchange yesterday, Atlas said the government suspended purchasing vehicles for governmental, semi-governmental, autonomous and other organisations. This explains the decrease in sales from the previous period.

Due to the fixed salary and wages, the cost of sales increased and the gross profit margin decreased in comparison to the previous period. As a result, the EPS decreased, it said.

The company's net operating cash flow per share stood at Tk 0.13 negative. It was Tk 0.85 in positive in the July-December period of FY22.

The net asset value per share was Tk 125 on December 31, 2022, and Tk 126 on June 30, 2022.

Shares of Atlas Bangladesh closed at Tk 104.20 on the DSE on Sunday.

Universal pension scheme: What it is and how it will work

MD ASADUZ ZAMAN

Bangladesh made a major step towards a universal pension scheme when parliament passed the Universal Pension Management Bill 2022 on January 24 with a view to bringing the country's growing elderly population under a social security system.

This is particularly important for the country since only public sector employees, who account for a tiny portion of the population, are covered by state-sponsored pension schemes and the government expects that the ratio of the dependent population would increase and that of the working-age population would decrease in line with the growing life expectancy.

The scheme is expected to allow the elderly population better cope with the fallout of unemployment, disease, disability or old-age complications, or extreme poverty. Here are the key facts of the new law:

1. What is Universal Pension Scheme?

The Universal Pension Scheme is a system where elderly will receive a monthly stipend to support their daily expenses.

2. Who is eligible?

All citizens aged between 18 and 50 on the basis of their national identity card, including expatriate Bangladeshis, will qualify for the benefit. Currently, only employees of government, semi-government or autonomous organisations in Bangladesh receive pension benefits.

Through the new law, the government aims to bring private sector employees under the pension scheme.

3. What can citizens do to take part in the universal pension?

In order to come under the scheme, one has to pay a fixed amount of premium for at least 10 years. After completing 60 years, the person will start reaping the benefit of the system till death.

Under special consideration, citizens aged over 50 years will also be able to take part in the pension scheme. Still, they will have to pay the premium for the next consecutive 10 years from the date of participation in the scheme.

All citizens aged between 18 and 50 on the basis of their national identity card, including expatriate Bangladeshis, will qualify for the benefit. Currently, only employees of government, semi-government or autonomous organisations in Bangladesh receive pension benefits

4. How premiums would be deposited?

Premiums can be paid on a monthly or quarterly basis. Participants will also be able to deposit premiums in advance as well. The government would determine the minimum premium.

5. What happens if the beneficiary dies?

If a beneficiary dies before the age of 75, his or her nominee will get the monthly pension for the remaining period until 75 years of the deceased.

If the beneficiary dies before paying the

premium for at least 10 years, the nominee will receive the deposited amount and the interest that would be earned against the amount.

6. Can a beneficiary withdraw the deposited amount at any stage?

If a beneficiary wants to withdraw the deposited money, he or she can withdraw a maximum of 50 per cent as a loan. The loan amount will have to be repaid alongside the fixed fee.

7. Who will be in charge to operate the scheme?

A five-member National Pension Authority will be formed to operate the scheme. A 15-member board of directors will run it.

8. How monthly pension will be disbursed among beneficiaries?

Funds will be transferred through an electronic fund transfer system. In order to make that happen, a centralised and automatic pension disbursement system will be established.

9. How will it be managed?

There will be a universal pension fund to manage the deposited money. The branches of one or more scheduled banks and post offices will act as front offices to collect premiums.

10. Will premiums be tax-exempted?

The deposited premium will be treated as an investment and will be exempted from taxation. The pension will also be exempted from paying taxes.

11. When will the universal pension scheme begin operating?

The government will form the National Pension Authority, which will take the steps to roll out the universal pension scheme.

Sustainability reporting for transparency

MD TOUHIJUL ALAM KHAN

Sustainability reporting is an essential tool for banking institutions in Bangladesh as it provides a comprehensive overview of the environmental, social, and governance issues that affect their operations.

It helps banks communicate their commitment to sustainability to stakeholders, track progress against goals, and identify areas that need improvement. By incorporating sustainability reporting into their operations, banks can ensure that they are making responsible investments and delivering value to all.

Making a commitment to transparent and comprehensive sustainability disclosure has multiple positive effects. Despite being obligated to follow 'green banking' practices, many banks fall short when it comes to sustainability reporting. Banks must act as responsible corporate citizens and devise strategies for sustainable financing activities that will secure a sustainable world economy. To achieve this, various effective initiatives should be implemented.

Sustainability reporting is the practice of disclosing and analysing an organisation's environmental and socioeconomic performance, assessing their progress with regard to sustainable development goals (SDGs), increasing transparency, and making sure they are held accountable to both internal and external stakeholders.

Sustainability reporting is an avenue to maximize performance and enhance dedication to sustainable development.

Banks offer a variety of services to generate profits; however, this should not lead to any form of environmental degradation. It is essential for banks to be aware of and take steps toward maintaining an eco-friendly atmosphere, which begins with having sustainability reports in place.

Banks have an important role to fulfil in order to achieve sustainable development. They are intermediaries in the economy and can be used to facilitate this goal. Banking has a significant effect on a nation's economic development as it alters money in terms of time, location, risk, and scale.

Adhering to the UN's Sustainable Development Goals, banks should develop strategies that will promote the prosperity and wellbeing of present and future generations. Seventeen SDGs were put in place to address major global issues by 2030.

Environmental responsibility is a primary concern for the world today and sustainability reporting is becoming increasingly important for banks. There is a strong correlation between the expansion of the banking industry and economic progression. Investing in sustainable development of this sector can lead to positive outcomes for local communities. The government needs to prioritise sustainability reporting initiatives and emphasise the importance of taking measures to safeguard the environment.

Banking institutions must show commitment to engaging stakeholders and publishing their sustainability reports, otherwise, it will be impossible to put this practice into effect. Banks, as key stakeholders, must provide full backing for the establishment of a sustainability reporting process that necessitates considerable attention from businesses.

Raising awareness among customers and investors regarding sustainable disclosure and its importance in relation to the SDGs can facilitate the creation of standard sustainable reporting.

For optimum efficiency, it is suggested to amalgamate sustainability reporting and green banking reporting into a single set of policy analyses. This will permit the continued use of standardised procedures while preserving their individual characteristics.

The author is a banker and the first certified sustainability reporting assurer in Bangladesh.



Two concerns of Beximco post lower profits

STAR BUSINESS REPORT

Both Beximco Limited and Beximco Pharmaceuticals logged lower profits in the July-December period of fiscal 2022-23 as raw materials became costlier following the taka's depreciation against the US dollar.

Beximco Limited saw its profits fall 13 per cent year-on-year to Tk 658 crore in the first six months of the current fiscal year even though sales rose 9 per cent to Tk 4,008 crore at the same time.

As a result, the company's earnings per share dropped to Tk 7.35 from Tk 8.48 during the same period of the previous year, according to its latest financial report.

Similarly, profits of Beximco Pharmaceuticals fell 15 per cent year-on-year to Tk 265 crore, lowering its earnings per share to Tk 6.02 from Tk 7.12 previously.

The earnings per share declined due to the higher cost of production and a subsequent decrease in the gross margin, as per the company's financial report.

In the July-December period of fiscal 2021-22, Beximco Pharmaceuticals had earned about Tk 61.9 crore as a fee for distributing Oxford/AstraZeneca Covid-19 vaccines under a tripartite agreement with the Serum Institute of India and the government of Bangladesh.

So, with the end of this contract, there was no income from this source in the reporting period, leading to comparatively lower profits, it said.

On the other hand, profits of Shinepukur Ceramics,

READ MORE ON B2



A view of a green garment factory in Narayanganj. With the latest ones, the number of LEED-certified green garment factories in Bangladesh now stands at 186.

PHOTO: STAR/FILE

2 more RMG factories get green certification

STAR BUSINESS REPORT

Two more garment factories in Bangladesh have received the Leadership in Energy and Environmental Design (LEED) certification from the United States Green Building Council (USGBC) for their green initiatives in apparel manufacturing.

JL Fashions Ltd at Baniarchala in Gazipur and JKL Admin & Daycare Bldg at Mawna of Sreepur in the same district received the platinum-rated certification from the USGBC, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) said yesterday.

This took the number of LEED-certified garment factories in the country to 186. Of them, 62 are platinum-rated, 110 gold-rated, and 10 silver-rated green factories.