

star

BUSINESS



SAFEST PARTNER

to save your deposit



SCAN FOR DETAILS



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 Mahbub Ul Alam Abu Reza Md Yeahia

STAR BUSINESS REPORT

Social Islami Bank Limited’s Chairman Md Mahbub 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

billion in the July-December period of the current financial year, central bank data showed. 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.



tightened rules to discourage the imports of non-essential and luxury items in order to save the foreign currency reserves from fast depletion. So, the opening of LCs aimed at importing textile fabrics declined by 25.63 per cent year-on-year to \$4.88

Saleudh Zaman Khan, managing director of Bhulta-based NZ Tex Group, which mainly produces yarn from cotton and other man-made fibres, says before the dollar crunch emerged, banks used to take a maximum of three working days to open an LC.

READ MORE ON B3

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% 6,278.84	0.20% 18,533.30

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

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

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.

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

www.midlandbankbd.net

১৬৫৯৬

আধুনিক ও উন্নত গ্রাহক সেবার অঙ্গীকার নিয়ে আনুষ্ঠানিক শুভ উদ্বোধন বরিশাল শাখা ০৯ জানুয়ারি ২০২৩

বরিশাল শাখা

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

আমাদের আন্তরিক সেবা গ্রহণে আপনাকে সাদর আমন্ত্রণ।

