



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 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.

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.

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.

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,

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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 dependant 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 people 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.

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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 TOUHIDUL 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.



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.