

# Star BUSINESS

Prime Bank

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## Belal Ahmed now SIBL's acting chairman

STAR BUSINESS REPORT

Social Islami Bank Ltd (SIBL) has appointed Belal Ahmed as the acting chairman of its board of directors after Md Mahbub Ul Alam resigned.

Previously, he served the bank's board as vice-chairman.

Ahmed is the son-in-law of Mohammed Saiful Alam, the chairman of Chattogram-based S Alam Group. He represents Unitex Steel Mills Ltd to the board of SIBL.

He is the managing director of Unitex Spinning, Unitex Composite Mills, Unitex LP Gas, Unitex Petroleum, Unitex Cement and Unitex Steel Mills,

**Ahmed is the son-in-law of Mohammed Saiful Alam, the chairman of Chattogram-based S Alam Group**



Belal Ahmed

according to the bank's annual report for 2021.

Along with Mahbub Ul Alam, the bank's Additional Managing Director Abu Reza Md Yeahia submitted his resignation on January 26.

Both resigned for personal reasons, Zafar Alam, managing director of the bank, told The Daily Star.

Mahbub Ul Alam went to the United States after submitting his resignation letter to spend time with his family members, he said.

SIBL has recently faced a wide range of scams, which have eroded the depositor's confidence in the bank.

The central bank has recently extended cash support to the bank by using its various windows so that it could meet the depositors' demands.

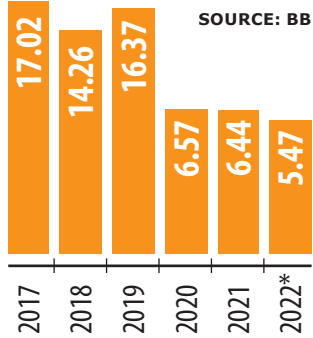
S Alam Group took over the bank in 2017. Since then, the financial health of the lender has deteriorated.



### CASH RECOVERY OF DEFAULT LOAN

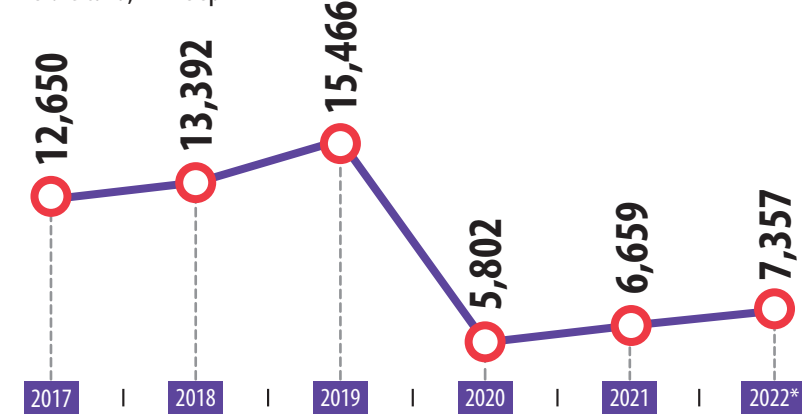
In % of total classified loans;  
\*Till Sep 2022

SOURCE: BB



### CASH RECOVERY FROM DEFAULT LOANS

In crore taka, \*Till Sep



### EFFECTS OF FEEBLE RECOVERY

Reduction of  
profit

Erosion of  
capital base

Deterioration of  
financial health

### WHY LOAN RECOVERY DECLINES

Rising  
scams

Business slowdown  
amid global crises

Relaxed loan  
repayment rules

## Relaxed rules failed to speed up default loan recovery

AKM ZAMIR UDDIN

The recovery of default loans is still weak in Bangladesh despite offering relaxed repayment policies for three consecutive years to 2022 as delinquent borrowers are not paying back funds on time, hitting banks' income and cash flow.

Although the recovery increased a bit between January and September of 2022, the trend is quite unsatisfactory given the recent escalation of bad loans in the banking sector, said experts.

Between January and September, banks retrieved Tk 7,357 crore, which accounted for 5.47 per cent of the outstanding default loans of Tk 134,396 crore, data from Bangladesh Bank showed.

Lenders recovered Tk 4,195 crore in the first nine months of 2021, or 4.14 per cent of the total classified loans.

The recovery is much lower than pre-pandemic levels, which hampered banks' smooth operation as their lending capacity has been squeezed.

Banks recouped Tk 5,802 crore from their cumulative non-performing loans in 2020 in contrast to Tk 15,466 crore the year before.

Although the central bank followed relaxed loan

classification policies in the three years to 2022, the recovery did not pick up.

Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, thinks growing scams and weak corporate governance have put an adverse impact on the recovery

The grace period of the rescheduled loans ended and the funds are now turning into bad again. As a result, the amount of soured loans would pile up in the coming days, Mansur said.

The central bank allowed borrowers to avoid the default zone in 2020 even if they did not

erode when the default loan recovery loses steam.

"The weak recovery has already brought a negative impact on the banking sector," said Syed Mahbubur Rahman, managing director of Mutual Trust Bank.

He said a majority of banks could not recoup default loans as per their expectation amid the current business slowdown caused by various macroeconomic challenges.

In Bangladesh, many companies closed during the peak of the coronavirus pandemic, dealing a blow to the financial health of banks, he said.

A Bangladesh Bank official says the feeble loan recovery along with a higher default loan usually forces banks to raise the interest rate on loans. But they can't do so owing to the central bank's interest rate cap of 9 per cent.

"Under such circumstances, banks are trying to cut the interest rates on deposits to ensure profits," he said, adding that banks should strengthen corporate governance to reduce default loans.

Six state-run banks – Sonali, Janata, Agrani, Rupali, BASIC, and Bangladesh Development Bank Ltd – recovered Tk 1,421 crore from the NPLs in the first

READ MORE ON B3

## IMF explains its latest loan

STAR BUSINESS REPORT

With the approval of a \$4.7 billion loan by the International Monetary Fund (IMF) for Bangladesh easing much of the concerns regarding its economy, IMF Mission Chief to Bangladesh Rahul Anand answers some questions about the arrangement.

**What was the rationale for the IMF to consider and approve the financing?**

In light of the sustained risks that confront the global economy, Bangladesh has requested an IMF-supported programme to restore macroeconomic stability. And even as Bangladesh tackles these immediate challenges, it also recognises the need to undertake some long due structural reforms, such as raising more tax revenues, which is critical to increase public investments to support the poor and vulnerable.

The IMF always recommends countries to come early. The authorities made the right decision to come to the IMF – and most importantly, to come to the IMF early. Turning to the IMF

when countries are already in crisis could make the adjustments particularly hard on people.

**What is the IMF's assessment on Bangladesh's near-term economic outlook?**

Bangladesh is not in crisis. Just like countries around the world, Bangladesh is dealing with the impact of global shocks – first from the pandemic and then from the ongoing war in Ukraine. Bangladesh's robust economic recovery from the COVID-19 pandemic was interrupted by Russia's war in Ukraine.

Near-term growth is projected to slow to 5.5 per cent in fiscal year (FY) 2022-23 and 6.5 per cent in FY24, compared to the pre-war growth projections at above 7 per cent.

Rising global commodity prices, supply disruptions, and slowdown in external demand have led to high inflation, a sharp widening of the current account deficit, depreciation of the taka and the rapid decline of foreign exchange reserves. Nevertheless, Bangladesh's overall risk of debt distress remains low.

**How does the IMF assess Bangladesh's policy response to recent global shocks?**

The authorities took the necessary steps to navigate these challenges, including tightening of the monetary stance, allowing for a more flexible exchange rate, imposing temporary restrictions on non-essential and energy-related imports, and adopting measures to reduce electricity demand.

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STOCKS	
DSEX ▼	CASPI ▼
0.18% 6,267.05	0.10% 18,513.66

COMMODITIES	
Gold ▼	Oil ▼
\$1,904.74 (per ounce)	\$76.75 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
0.08% 59,549.90	0.39% 27,327.11	0.37% 3,365.67	0.42% 3,255.67

### IMPACT OF POWER TARIFF HIKE

## Small industries up the creek

JAGARAN CHAKMA

The government's decision to increase the power tariff twice last month has created undue pressure on small industries that are unable to keep up with rapidly rising production costs, according to various businesspeople.

Customers will now end up bearing the brunt of the higher costs of goods sold, they said.

Small companies usually lack the additional investment capacity needed to face the burden of higher input costs and subsequently become less competitive.

On January 12, it was announced that the retail price of electricity would be increased by 5 per cent effective from January 1.

Just 19 days after the announcement, the retail price of electricity was yesterday hiked by another 5 per cent effective from today.

Along with this, wholesale electricity prices have also been increased by 8 per cent.

Abdur Razzak, president of the Bangladesh Engineering Industry Owners Association (BEIOA), said frequent price hikes for power create a burden for small capital-based businesses, such as those in

the light engineering sector.

"Unlike corporate houses, we do not have capacity to tackle the situation when utility charges suddenly increase," he added.

As such, he considers the notification issued by the power division last night as an unprecedented and sad development for the light engineering sector.

**Small companies usually lack the additional investment capacity needed to face the burden of higher input costs and subsequently become less competitive**

According to the BEIOA chief, some investors in the light engineering sector are leaving the business as they do not have the capacity to survive amid the increasing cost of doing business.

"It is really a big pressure for the light engineering sector to operate amid the continuous increase of utility tariffs along with US dollar price hike that led to higher raw material costs," he said, adding that even a 5 per cent increase in power tariff puts tremendous pressure on their shoulders.

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With the prices of power having been increased twice over the span of just one month, small businesses such as these in the light engineering sector are struggling to keep up with the rising production costs. As a result, they have to adjust their product prices, which ultimately impact consumers.

PHOTO: STAR/FILE





Md Afzal Karim, managing director of Sonali Bank, handed over to Abdur Rouf Talukder, governor of Bangladesh Bank, signed documents of an agreement on facilitating investments for export-oriented industries using a Tk 10,000 crore central bank fund at the latter's headquarters in Dhaka on Monday.

PHOTO: SONALI BANK



ABM Mokammel Hoque Chowdhury, managing director of Union Bank, handed over to Abdur Rouf Talukder, governor of Bangladesh Bank, signed documents of an agreement on facilitating investments for export-oriented industries using a Tk 100 billion central bank fund at the latter's headquarters in Dhaka on Monday.

PHOTO: UNION BANK



Feroz Ahmed, a director of AB Bank, inaugurated a sub-branch of the bank at Karnaphuli Center in Chattogram yesterday. Abdus Salam, former chairman of Chattogram Development Authority, was present.

PHOTO: AB BANK



Mohammed Monirul Molla, managing director of Islami Bank Bangladesh, inaugurates a workshop on performance evaluation and strategies for achieving target for 2023 for Recurring Deposit Scheme and Urban Poor Development Scheme officials organised by Islami Bank Training and Research Academy at Islami Bank Tower in Dhaka on Sunday.

PHOTO: ISLAMI BANK BANGLADESH

## BSRM posts over 52% fall

FROM PAGE B4  
But for the sake of the greater interest of the country and to keep the development projects progressing, it was not possible to increase the selling price of steel products keeping pace with the cost of production, said BSRM.

Even though the company incurred a loss for the period, it had to pay minimum tax. As result,

the net profit after tax, the EPS and the net asset value (NAV) per share decreased during the period, said the filing.  
BSRM incurred losses in the first half of FY23. It reported a loss of Tk 110.18 crore for July-December, which was Tk 242.15 crore in the first half of FY22. Thus, the consolidated EPS was Tk 3.69 negative in July-December of FY23

against Tk 8.11 in the first half of FY22.  
The consolidated net operating cash flow per share fell to Tk 5.21 in the first half of FY23 from Tk 15.61 in the same period of FY22. The consolidated NAV per share was Tk 126.90 on December 31 and Tk 134.29 on June 30. Shares of BSRM were unchanged at Tk 90 on the DSE yesterday.

## ACI profit drops

FROM PAGE B4  
About the drop in profit, the company's financial report said there was an adverse effect of an increase in cost due to the local currency's devaluation, hike in energy prices, high import prices,

and increase in financing costs. Meanwhile, ACI Formulations, a listed subsidiary of ACI, saw higher sales and profits. Its main activities are manufacturing and marketing a number of

agrochemicals and consumer and paint products. Sales of ACI Formulations rose 18 per cent year-on-year to Tk 272 crore in the first half of the financial year of 2022-23. Its profits grew 9.49 per cent to Tk 19.14 crore.

## Square Pharma's profit up

FROM PAGE B4  
of fiscal year 2022-23 while it was 40 per cent in the previous year.  
Square Textile logged a profit of Tk 55.70 crore in the first half of the year, down 40 per cent year-on-year.  
The textile maker's turnover rose 0.81 per cent to Tk 801 crore whereas it was Tk 795 crore in the same period of the previous year.  
"The company's profits fell due to increases in the price of raw materials and energy cost for gas and electricity crisis as well as increase of fuel price," the company said in its financial report.

## Access to finance

FROM PAGE B4  
"Besides, women entrepreneurs usually face difficulties in preparing the necessary legal documents for starting a business," he added.  
Ensuf then said a lack of awareness regarding credit facilities and when products should be marketed are also barriers for women entrepreneurs.  
At the event, a new one-stop business advisory platform for Bangladeshi women entrepreneurs called "Onnessha" was launched to expand economic opportunities for women in the country.  
The SME Foundation and The Asia Foundation jointly launched the

platform.  
This platform will mainly provide relevant information to women entrepreneurs about loan projects of financial institutions, scope of consultation and advisory services, according to the organisers.  
Md Masudur Rahman, chairperson of SME Foundation, said this platform will definitely help women entrepreneurs boost their business activities.  
Among others, Kazi Faisal Bin Seraj, country representative of The Asia Foundation in Bangladesh, and Md Mahfuz Rahman, managing director of the SME Foundation, were present.

## Stocks keep falling

### STAR BUSINESS REPORT

The key index of the Dhaka Stock Exchange (DSE) fell for the third consecutive session yesterday.  
The DSEX, the benchmark index of the premier bourse in Bangladesh, lost 11 points, or 0.18 per cent, to close the day at 6,267.  
The DS30, the blue chip index, dropped 0.28 per cent to 2,219 while the DSES, the shariah-compliant index, shed 0.31 per cent to 1,366.  
The key index of the DSE remained in red for the third consecutive session as shaky investors continued their sell-offs amid macroeconomic discomfords, said International Leasing Securities.  
However, turnover rose about 12.5 per cent to Tk 573 crore. Of the securities, 31 advanced, 135 declined and 161 did not show any price movement.


## UCB promotes senior executive VP to DMD

### STAR BUSINESS DESK



United Commercial Bank (UCB) has recently promoted a senior executive vice-president to the post of deputy managing director.  
The official, Alamgir Kabir, started his professional career at First Security Islami Bank in 1999 and later worked in Jamuna Bank and ICB Islami Bank, said a press release. He obtained his Bachelor of Business Administration and Master of Business Administration degrees from the University of Chittagong.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (JAN 31, 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	16.44 ↑	16.44 ↑
SOURCE: TCB			



# Half Yearly un-audited financial statements of mutual funds managed by the Bangladesh RACE Management PCL.

Registered Address: Sky View Henolux Center, Office No: C-1, 1st Floor, 3/1, Purana Paltan, Dhaka-1000.

## AB BANK 1ST MUTUAL FUND Statement of Financial Position (Un-Audited) As at December 31, 2022

Particulars	31-Dec-22	30-Jun-22
<b>ASSETS</b>		
Investment at Fair Value	2,240,180,997	2,420,055,245
Dividend Receivables	19,232,732	9,015,448
Interest Receivables	5,084,073	5,084,073
Advance, Deposit & Prepayments	9,931,652	5,482,589
Receivable from Brokerhouse	783,358	2,848,071
Cash & Cash Equivalents	148,008,775	229,239,672
Preliminary & Issue Expenses	11,804,560	12,459,975
	<b>2,428,942,074</b>	<b>2,684,154,973</b>
<b>LIABILITIES</b>		
Accounts Payables	19,401,557	1,796,050
Unclaimed Dividend	23,313,597	2,403,006
	<b>42,775,143</b>	<b>4,199,743</b>
<b>NET ASSETS</b>	<b>2,386,166,930</b>	<b>2,679,955,229</b>
<b>OWNERS' EQUITY</b>		
Capital Fund	2,390,903,960	2,390,903,960
Dividend Equalization & TRR Reserve	115,484,575	115,484,575
Retained Earnings	(120,221,604)	(120,221,604)
	<b>2,386,166,930</b>	<b>2,679,955,229</b>
Net Asset Value (NAV)-At Cost	2,671,648,618	2,629,692,508
No. of Units	239,090,396	239,090,396
Net Asset Value (NAV)-Fair Value	11.18	11.54
No. of Units	2,386,166,930	2,679,955,229
	<b>239,090,396</b>	<b>239,090,396</b>
	<b>9.98</b>	<b>11.21</b>

## Statement of Profit or Loss & other Comprehensive Income (Un-Audited) For the period from July 01, 2022 to December 31, 2022

Particulars	01 Jul 22 to 31 Dec 22	01 Jul 21 to 31 Dec 21	01 Oct 22 to 31 Dec 22	01 Oct 21 to 31 Dec 21
<b>INCOME</b>				
Net Profit on Sale of Securities	(3,119,419)	112,707,397	9,901,725	76,988,354
Dividend from Investment	34,236,779	11,342,380	11,342,380	14,826,000
Interest Income	11,229,486	20,932,231	3,055,254	10,065,084
	<b>32,344,653</b>	<b>170,162,582</b>	<b>25,099,359</b>	<b>102,800,828</b>
<b>EXPENSES</b>				
Management Fees	14,722,548	16,823,848	7,165,878	8,156,858
Amortization of Pre-I & Issue Exp.	600,219	600,219	327,608	327,608
Annual Listing Fees	1,805,278	1,805,278	905,038	905,105
Trustee Fees	1,240,890	1,116,785	770,445	708,368
Custodian Fees	793,622	969,603	406,472	480,768
COBL Charges	218,727	178,811	157,117	157,337
Bank Charges	181,081	134,042	175,370	132,382
Payment to Capital Market Stabilization Fund*	351,997	472,308	60,950	362,909
Printing Publication & IPO Expenses	104,950	22,290,389	9,961,480	11,178,077
	<b>20,434,643</b>	<b>147,989,993</b>	<b>16,137,874</b>	<b>91,324,749</b>
Net Profit before provision	11,910,210	147,989,993	16,137,874	91,324,749
(Total Provision for VAT, Tax and write off/write back against erosion of fair value)	(128,365,231)	(38,707,865)	(103,711,055)	(23,437,831)
(A) Net Profit after Provision transferred to retained earnings	(128,455,022)	109,109,128	(86,573,781)	67,886,917
Other Comprehensive Income:				
Unrealized gain (loss)	-	(484,933)	-	(187,937,655)
Total profit or loss and other comprehensive income	(128,455,022)	108,704,195	(86,573,781)	(120,050,708)
(B) No. of Unit	239,090,396	239,090,396	239,090,396	239,090,396
Earnings Per Unit (EPU)**	(0.53)	0.46	(0.37)	(0.50)

\* In compliance with BSEC Rule-20(20) of 2020 Part 1/198, unclaimed dividend with accrued interest has been transferred to BSEC Capital Market Stabilization Fund.

\*\* The EPU has been calculated, dividing (A) Net Profit after provision transferred to retained earnings by (B) outstanding units as on December 31, 2022.

## Statement of Changes in Equity (Un-Audited) For the period ended December 31, 2022

Particulars	Capital Fund	Dividend Equalization & TRR Reserve	Unrealized Gain	Retained Earnings	Total Equity
Balance at 01 July 2022	2,390,903,960	115,484,575	-	173,596,695	2,679,985,229
Net Profit for the period	-	-	-	(120,455,022)	(120,455,022)
Dividend for 2021-22 (Cash)	-	-	-	(167,363,277)	(167,363,277)
Balance as at Dec 31, 2022	2,390,903,960	115,484,575	-	(120,221,604)	2,386,166,930

## Statement of Changes in Equity (Un-Audited) For the period ended December 31, 2021

Particulars	Capital Fund	Dividend Equalization & TRR Reserve	Unrealized Gain	Retained Earnings	Total Equity
Balance at 01 July 2021	2,390,903,960	211,120,733	64,667,038	196,160,750	2,862,852,480
Net Profit for the period	-	-	-	109,189,128	109,189,128
Dividend for 2020-21 (Cash)	-	-	-	(191,272,317)	(191,272,317)
Unrealized gain	-	-	(484,933)	-	(484,933)
Balance as at Dec 31, 2021	2,390,903,960	211,120,733	64,182,104	114,077,561	2,780,284,358

## For the period from July 01, 2021 to December 31, 2022

Particulars	01 Jul 22 to 31 Dec 22	01 Jul 21 to 31 Dec 21
<b>A. Cash flows from operating activities</b>		
Profit on sale of securities	(3,119,419)	112,707,397
Dividend from investment	34,236,779	11,342,380
Interest income	16,312,568	14,111,553
Operating expenses	(5,663,492)	(9,088,434)
Net cash from operating activities	21,648,150	146,579,859
<b>B. Cash flows from investing activities</b>		
Net investment in securities	43,573,730	149,524,324
Net cash used in investing activities	43,573,730	149,524,324
<b>C. Cash flows from financing activities</b>		
Dividend paid (2021-22) Cash	(167,363,277)	(191,272,317)
Unclaimed Dividend	20,910,501	1,271,151
Net cash from financing activities	(146,452,776)	(190,001,166)
Net increase/(decrease) (A+B+C)	(61,230,897)	106,102,617
E. Opening cash and cash equivalents	229,239,672	105,072,849
F. Closing cash and cash equivalents (D+E)	148,008,775	214,175,666
Net Operating Cash Flow Per Unit (NOCFFPU)	0.69	0.61

Sd/-  
Member, Trustee  
Bangladesh General Insurance Co. Ltd.  
Sd/-  
Member, Trustee  
Bangladesh General Insurance Co. Ltd.  
Dhaka  
Date: January 31, 2023

Sd/-  
CEO & Managing Director  
Asset Manager  
Sd/-  
Head of Fund Accounts  
Sd/-  
Chief Compliance Officer

\*The details of the published Half Yearly financial statements are available in website [www.ab1stmf.com](http://www.ab1stmf.com)

## RACE SPECIAL OPPORTUNITIES UNIT FUND Statement of Financial Position (Un-Audited) As at December 31, 2022

Particulars	31-Dec-22	30-Jun-22
<b>ASSETS</b>		
Investment at Fair Value	262,333,125	386,904,888
Dividend Receivables	4,060,085	3,177,429
Advance, Deposit & Prepayments	1,411,326	809,301
Receivable from Brokerhouse	12,509,957	1,675,954
Cash & Cash Equivalents	3,628,174	13,277,088
Preliminary & Issue Expenses	4,990,909	5,533,900
	<b>355,545,176</b>	<b>411,478,698</b>
<b>LIABILITIES</b>		
Accounts Payable	7,448,119	3,272,506
Unclaimed Dividend	183,098	27,148
	<b>7,631,217</b>	<b>3,299,654</b>
<b>NET ASSETS</b>	<b>347,913,959</b>	<b>408,179,045</b>
<b>OWNERS' EQUITY</b>		
Capital Fund	341,660,510	341,660,510
Unit Premium & TRR Reserve	1,045,550	1,045,550
Dividend Equalization Reserve	4,305,382	4,305,382
Retained Earnings	(9,097,483)	50,367,603
	<b>347,913,959</b>	<b>408,179,045</b>
Net Assets Value (NAV)-at Cost	358,149,828	428,627,689
No. of unit	34,166,051	34,166,051
Net Assets Value (NAV)-at Fair Value	11.66	12.56
No. of unit	347,913,959	408,179,045
	<b>34,166,051</b>	<b>34,166,051</b>
	<b>10.18</b>	<b>11.95</b>

## Statement of Profit or Loss & other Comprehensive Income (Un-Audited) For the period from July 01, 2022 to December 31, 2022

Particulars	01 Jul 22 to 31 Dec 22	01 Jul 21 to 31 Dec 21	01 Oct 22 to 31 Dec 22	01 Oct 21 to 31 Dec 21
<b>INCOME</b>				
Net Profit on Sale of Securities	18,392,873	18,634,762	17,410,919	5,289,564
Dividend from Investment	7,155,010	7,155,010	7,155,010	3,137,156
Interest Income	1,135,398	5,250,845	97,465	2,839,230
	<b>24,692,693</b>	<b>31,040,117</b>	<b>20,665,441</b>	<b>11,265,989</b>
<b>EXPENSES</b>				
Management Fee	3,690,003	5,705,282	1,746,000	2,765,146
Amortization of Preliminary & Issue Exp.	637,061	637,061	268,626	268,626
BSEC Annual Fee	217,038	170,898	108,519	85,448
Trustee Fee	439,864	233,898	219,927	148,843
COBL Fee	23,550	17,274	11,506	12,225
COBL Charge	91,337	42,029	93,012	11,560
Bank Charge	135,000	85,000	85,000	33,000
Printing Publication & IPO Expenses	5,137,842	7,197,183	2,489,874	3,852,747
	<b>19,464,886</b>	<b>29,847,034</b>	<b>17,605,867</b>	<b>7,615,242</b>
Net Profit before provision	(9,772,193)	(11,206,872)	(7,185,418)	(2,329,253)
(Total Provision for VAT, Tax and write off/write back against erosion of fair value)	(10,724,420)	(38,707,865)	(10,724,420)	(23,437,831)
(A) Net Profit after Provision transferred to retained earnings	(10,724,420)	22,945,669	(8,088,721)	7,162,144
Other Comprehensive Income:				
Unrealized gain/(loss)	-	(18,887,189)	-	(18,783,514)
Total profit or loss and other comprehensive income	(10,724,420)	4,157,880	(8,088,721)	(9,611,360)
(B) No. of Unit	34,166,051	43,063,816	34,166,051	43,063,816
Earnings Per Unit (EPU)**	(0.31)	0.63	(0.23)	(0.22)

\* The CPU has been calculated, dividing (A) Net Profit after provision transferred to retained earnings by (B) outstanding units as on December 31, 2022.

## Statement of Changes in Equity (Un-Audited) For the period ended December 31, 2022

Particulars	Capital Fund	Unit Premium & TRR Reserve	Unrealized Gain	Dividend Equalization Reserve	Retained Earnings	Total Equity
Balance at 01 July 2022	341,660,510	11,845,550	-	4,305,382	50,367,603	408,179,045
Dividend Paid (2021-22) Cash	-	-	-	-	(49,540,665)	(49,540,665)
Net Profit during the Period	-	-	-	-	(10,724,420)	(10,724,420)
Balance at December 31, 2022	341,660,510	11,845,550	-	4,305,382	(8,917,482)	347,913,959

## Statement of Changes in Equity (Un-Audited) For the Period Ended December 31, 2021

Particulars	Capital Fund	Unit Premium & TRR Reserve	Unrealized Gain	Dividend Equalization Reserve	Retained Earnings	Total Equity
Balance at 01 July 2021	430,538,180	28,466,820	30,333,800	4,305,382	64,789,905	553,434,086
Unrealized Gain	-	-	18,887,189	-	-	18,887,189
Dividend Paid (2020-21) Cash	-	-	-	-	(64,580,727)	(64,580,727)
Net Profit during the Period	-	-	-	-	22,945,069	22,945,069
Balance at Dec 31, 2021	430,538,180	28,466,820	54,220,989	4,305,382	23,154,847	540,686,217

## Statement of Cash Flows (Un-Audited) For the period ended December 31, 2022

Particulars	31-Dec-22	31-Dec-21
<b>A. Cash Flows from / (used in) Operating Activities</b>		
Net Profit on Sale of Securities	18,392,873	18,634,762
Dividend from Investment	3,576,012	9,476,427
Interest Income	1,135,398	5,316,949
Operating Expenses	(926,923)	(1,174,247)
Net Cash from Operating Activities	22,177,360	32,253,891
<b>B. Cash Flows from/(used in) Investing Activities</b>		
Net Investment in Securities	93,558,440	(61,809,627)
Net Cash Used in Investing Activities	93,558,440	(61,809,627)
<b>C. Cash Flows from/(used in) Financing Activities</b>		
Dividend paid (2021-2022) Cash	(49,540,665)	(64,580,727)
Unclaimed Dividend	158,950	5,000
Net Cash used in Financing Activities	(49,381,715)	(64,575,727)
Net cash flows (A+B+C)	66,354,085	(94,131,463)
Cash & Cash Equivalents at beginning of the period	13,277,088	155,468,395
Cash & Cash Equivalents at end of the period	79,628,174	61,336,932
Net Operating Cash Flow Per Unit (NOCFFPU)	0.65	0.75

Sd/-  
Member, Trustee  
SENTINEL Trustee & Custodial Services Limited  
Sd/-  
Member, Trustee  
SENTINEL Trustee & Custodial Services Limited  
Dhaka  
Date: January 30, 2023

Sd/-  
CEO & Managing Director  
Asset Manager  
Sd/-  
Head of Fund Accounts  
Sd/-  
Chief Compliance Officer

\*The details of the published Half Yearly financial statements are available in website [www.racebd.com](http://www.racebd.com)



## Power Grid sinks into losses

STAR BUSINESS REPORT

The Power Grid Company of Bangladesh, a state-run listed electricity grid management and transmission entity, incurred a loss in the first half of the financial year of 2022-23 in spite of securing higher sales.

It was mainly due to a massive loss incurred for the depreciation of the local currency against foreign ones, said the company.

Its revenue grew 5.5 per cent year-on-year to Tk 1,225 crore during the July-December period.

However, this could not prevent the company from incurring a loss of Tk 281 crore.

It had logged a profit of Tk 196 crore in the same period of the previous year.

The main reason for the loss is that it did not earn more in line with the company's expenses, said its financial report.

Its expenses rose mainly due to losses from foreign exchange, it added.

The company lost Tk 729 crore in the foreign exchange in the first half of the financial year of 2022-23.

In the same period of the previous year, it was a loss of Tk 75 crore.



The jewellery exposition will play a role in enriching the domestic gold jewellery industry and create a new position for Bangladesh in the global market, say organisers.

PHOTO: STAR/FILE

## Jewellery expo in Dhaka from Feb 9

STAR BUSINESS REPORT

The Bangladesh Jeweller's Association (Bajus) is going to organise a three-day expo from February 9 in hopes of heightening the country's position in the global gold jewellery market and thereby improve the local industry.

During the expo, which will be held for the second time, local gold jewellers will be able to showcase their latest designs before an international audience, organisers said.

The Bajus Fair 2023 will be held at the International Convention City Bashundhara in Dhaka, according to Uttam Banik, chairman of the Bajus standing committee on fair and event management.

He made these comments while speaking at a press briefing on the expo at the Bajus office in Dhaka yesterday.

"We hope the fair will play a role in enriching the domestic gold jewellery industry and create a new position for Bangladesh in the global market," Banik said.

Dewan Aminul Islam Shahin, vice-president of Bajus, said the fair is being organised to promote the gold jewellery industry of Bangladesh at home and abroad.

About 50 jewellery firms will participate in the fair, which will remain open every day from 10:00am to 9:00pm, organisers said. There is no reliable information about the demand for gold in Bangladesh.

The government's gold policy puts the demand at 20 to 40 tonnes per year. According to commerce ministry documents, almost 80 per cent of the demand is met through smuggling while the rest comes from recycled gold.

Bajus said gold worth Tk 73,000 crore is smuggled into the country each year.

## IMF explains its latest loan

FROM PAGE B1

Steps were also taken to reprioritise spending to protect the vulnerable. Bangladesh's request for an IMF-supported programme is part of the authorities' measures to cushion its economy from the disruptions caused by these global challenges.

**What are the key policy priorities for Bangladesh?**

The IMF-supported programme aims to support the government's plans to preserve macroeconomic stability and foster growth. The authorities and IMF staff have worked closely to come up with a programme that is most relevant to the country's economic and development priorities. The authorities laid out the reform agenda and the programme will support their efforts in addressing the longstanding structural issues of mobilising revenue, scaling

up social spending, modernising the monetary policy framework, strengthening the financial sector, and building climate resilience.

**How will the programme help the poor and the vulnerable in Bangladesh?**

The IMF financing plays the role of a shock absorber by protecting the broader economy, especially the vulnerable populations, from even greater economic disruption than what might otherwise occur.

The programme aims to preserve macroeconomic stability, lay the foundations for further growth, while preventing disruptive adjustments to protect the vulnerable. In fact, the programme focuses on social spending, safety net programmes and protecting the poor in several ways.

First, by raising progressive taxes it aims to increase financing for

spending on healthcare, education and clean water, as well as increase access to electricity, transportation and other infrastructure.

Second, keeping in mind that social spending is a core component of the social contract, the programme also aims to protect and increase social spending by including social spending floors.

Third, expanding well-targeted social spending under the programme will help improve access to basic services and provide economic opportunities for disadvantaged groups.

**Why is the IMF asking to cut subsidies that will hurt the poor most?**

Not all subsidies are helping the poor and vulnerable. In Bangladesh, where gas and electricity are being subsidised, the rich drive more cars and use more air conditioning.

Rationalisation of untargeted subsidies will free fiscal resources to strengthen social safety nets and increase development spending. In addition, the programme aims to protect and increase social spending by including social spending floors. This will allow expanding well-targeted social spending to protect the poor and vulnerable.

**How will the Resilience and Sustainability Facility (RSF) arrangement support Bangladesh's efforts toward strong, inclusive, and green growth?**

The RSF arrangement under this programme aims to help manage climate change related macroeconomic risks. Reflecting Bangladesh's large climate financing needs, the IMF-supported programme will expand the fiscal space to finance climate priorities identified in the authorities' plans,

including by catalysing other financing.

Bangladesh is the first country in Asia to receive financing under the RSF.

**What is the timeline of the programme? When will the arrangement be disbursed?**

The Executive Board of the IMF approved a 42-month extended credit facility (ECF)/ extended fund facility (EEF) arrangement of Special Drawing Rights (SDR) 2.5 billion (equivalent to 231.4 per cent of quota or about \$3.3 billion), and a concurrent RSF arrangement of SDR 1 billion (equivalent to 93.8 per cent of quota or about \$1.4 billion) to support Bangladesh's economic policies.

The SDR is an international reserve asset created by the IMF to supplement the official reserves of its member countries.

The SDR is not a currency. It is a potential claim on the freely usable currencies of IMF members. As such, SDRs can provide a country with liquidity.

A basket of currencies defines the SDR: the US dollar, Euro, Chinese Yuan, Japanese Yen, and the British Pound.

Quotas are the building blocks of the IMF's financial and governance structure. An individual member country's quota broadly reflects its relative position in the world economy. Quotas are denominated in Special Drawing Rights (SDRs), the IMF's unit of account.

The SDR figures for the programme are converted at the market rate of US dollar per SDR on the day of the programme approval. Approval of the ECF/EEF arrangement enables immediate disbursement of SDR 352.35 million or \$476 million.

## Small industries up the creek

FROM PAGE B1

Besides, he said investors in this sector do not have the additional financial capacity to survive in situations such as the ongoing crisis.

Razzak then alleged that the government is increasing utility tariffs to reduce the subsidies provided in order to fulfil the conditions set by multilateral lenders, including the International Monetary Fund.

Md Sameer Sattar, president of the Dhaka Chamber of Commerce and Industry, said exporters will lose their competitiveness in the global market while local consumers will also suffer for an increase in the price of products sold.

He fears that the continuous increase of product prices will increase inflation further.

He then stressed the need for cooperation between the government and private sector to find doable solutions to get rid of this challenge for low-income people.

"Small businesses will face severe challenges as they do not have access to finance and lack efficiency," he said, adding that the government should consider giving benefits to help them survive the situation.

Md Shahidullah, secretary general of the Bangladesh Steel Manufacturers Association, said frequent increase of utility prices result in commercial adjustments that automatically increase the price of products.

Ultimately, the pressure falls on consumers while also increasing the cost of development projects under the Annual Development

Programme.

"As we manufacturers will be compelled to adjust our prices in line with the higher cost of production, demand will decrease immediately, which is practical market behaviour," he added.

According to Shahidullah, sales of steel have already dropped by around 20-25 per cent over the last five-six months while mills are running below their production capacity due to the lack of raw materials.

Manufacturers have been compelled to reduce imports of scrap steel as there is a restriction in opening letters of credit for non-essential goods.

Shahidullah then said the government is always the gainer when it comes to an increase in product prices as its tax revenue grows as a result. Selim H Rahman, chairman and managing director of Hatil Furniture, expressed concerns about how they would have to adjust their prices due to the frequent increase of power price.

There is no alternative than to increase the price of products to adjust with the higher production cost, which will be borne by consumers, he added.

Rahman went on to say that investors do not aim to increase product prices as it has a negative impact on consumers behaviour.

Consumers want to purchase quality products at reasonable prices, which is a really tough ask given the current circumstances.

So, the sales volume will decline as customers will postpone purchasing products or search for cheaper alternatives.

"Ultimately, both investors and consumers become losers in this situation," he said.

Debasish Singha, head of export at Danish Biscuit, said the local biscuit industry will lose its competitiveness in the international market as manufacturers cannot ask for higher prices despite the rise in production costs.

"So, the profit margin will fall to 7 per cent from 10 per cent in the international market," he added.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, said most local garment exporters procure raw materials from the domestic market and so, any increase in the price of power will affect their overall production cost.

Also, the cost of living will also increase, he added.

Hassan then said the government could have hiked the price of electricity in staggered way so that manufacturers could adjust their costs gradually.

### Relaxed rules

FROM PAGE B1

nine months of 2022 in contrast to Tk 584 crore during the same period a year ago.

Default loans at the banks stood at Tk 60,501 crore as of September.

Private banks got back Tk 4,894 crore, an increase of 133 per cent year-on-year. Classified loans at the banks totalled Tk 66,695 crore.

Nine foreign banks realised Tk 97.65 crore in contrast to Tk 88 crore from the collective NPLs of Tk 2,970 crore.

under a most innovative goods producer and seller category.

Munshi said the venue was ready to hold other fairs year-round as it contained all necessary facilities, including car parking.

The Export Promotion Bureau and the commerce ministry have been jointly organising the fair since 1995.

PRIME TEXTILE SPINNING MILLS LIMITED				PRIME TEXTILE SPINNING MILLS LIMITED																			
2ND QUARTER STATEMENT OF FINANCIAL POSITION (UN-AUDITED)				STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)																			
AS AT DECEMBER 31, 2022				FOR THE 2ND QUARTER ENDED DECEMBER 31, 2022																			
Taka in '000'				Taka in '000'																			
Particulars	Notes	As at December 31, 2022	As at June 30, 2022	Particulars	Notes	July 1, 2022 to December 31, 2022	July 1, 2021 to December 31, 2021	October 1, 2022 to December 31, 2022															
<b>ASSETS</b>				<b>Sales Revenue</b>																			
<b>Non-Current Assets :</b>				Less: Cost of Sales																			
Property, Plant and Equipment	02	2,787,362	2,869,988	21	493,854	845,492	215,784	447,865															
RoU Assets-net	03	2,753,477	2,801,164		477,031	719,430	245,651	383,531															
Investment in Associates and Others	04	10,021	16,035	<b>Gross Profit</b>																			
<b>Current Assets :</b>				28,963 126,062 (29,867) 64,334																			
Investment in Shares	05	23,864	52,789	<b>Less: Operating Expenses :</b>																			
Inventories	06	2,350,923	2,303,437	Administrative Expenses																			
Trade and Other Receivables	07	1,413	1,388	23	24,071	29,864	11,257	15,415															
Advances, Deposits & Prepayments	08	624,845	688,285	Selling and Distribution Expenses																			
Cash and Cash Equivalents	09	1,062,031	994,811	24	4,892	5,351	2,296	2,321															
<b>TOTAL ASSETS</b>				Profit from operations																			
5,138,285 5,173,425				(12,140) 90,847 (43,420) 46,598																			
<b>EQUITY AND LIABILITIES:</b>				Less: Financial Expenses																			
<b>Share Holders' Equity :</b>				Profit after Financial Expenses																			
Share Capital	10	2,803,088	2,851,614	(84,664) 15,235 (81,311) 8,324																			
Share Premium Account	11	382,000	382,000	Add: Non Operating Income																			
Revaluation Surplus	12	382,000	382,000	Profit before provision for WPPF																			
Tax Holiday & Investment Reserve		1,702,061	1,716,003	Less: Provision for WPPF																			
Unrealised Gain (AFS Reserve)		139,884	139,884	(84,401) 15,317 (81,119) 8,324																			
Retained Earnings		145,488	79,874	Net Profit before Tax																			
<b>Non-Current Liabilities:</b>				Less: Provision for Tax:																			
Long Term Loan (Secured)	13	51,655	151,853	Current Tax																			
Leas: Obligation	14	725,620	725,233	Deferred Tax																			
Deferred Tax Liability	15	499,906	489,884	Net Profit after Tax																			
<b>Current Liabilities :</b>				Add: Other Comprehensive Income:																			
Short Term Loan (Secured)	16	220,743	225,657	Unrealized Gain from Listed securities																			
Current portion of Long Term Loan	17	1,609,577	1,596,578	Unrealized Gain/(Loss) Accounts Receivables																			
Current portion of Lease Liability		1,072,939	1,049,332	Less: Deferred Tax on unrealized Gain/(Loss)																			
Trade & Other Payable	18	93,391	93,391	Total Comprehensive Income																			
Provision for Tax Liabilities	19	9,657	9,657	Basic Earning per Share (Per share value Taka 10/-)																			
Dividend Payable	20	272,172	292,581	Number of Ordinary Shares (in thousand) used to Compute EPS																			
<b>TOTAL EQUITY AND LIABILITIES</b>				27 (2,200) 0.30 (2,112) 0.16																			
5,138,285 5,173,425				38,200 38,200 38,200 38,200																			
<b>Net Asset value per Share (NAVPS)</b>																							
73.38 74.65																							
Number of Ordinary Shares (in thousand) used to compute NAVPS				38,200 38,200																			
<b>STATEMENT OF CASH FLOWS (UN-AUDITED)</b>				<b>STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)</b>																			
FOR THE 2ND QUARTER ENDED DECEMBER 31, 2022				FOR THE 2ND QUARTER ENDED DECEMBER 31, 2022																			
Taka in '000'				Taka in '000'																			
Particulars	Notes	July 1, 2022 to December 31, 2022	July 1, 2021 to December 31, 2021	Particulars	Share Capital	Share Premium	Revaluation Surplus	Tax Holiday Reserve	Unrealized Gain (AFS Reserve)	Retained Earnings	Total												
<b>Cash Flows from Operating Activities</b>				As at July 1, 2022				382,000	382,000	1,716,003	139,884	79,874	151,853	2,851,614									
Collections from Turnover & Others		(36,382)	20,896	2. Revaluation Surplus	-	-	-	-	-	-	-	-	-										
Payment for Cost & Expenses		492,222	865,553	trans to retained earnings	-	-	(16,402)	-	-	16,402	-	-	-										
Financial Expenses		(453,918)	(764,808)	3. Adjustment for Deferred Tax Liability	-	-	2,460	-	-	-	2,460	-	-										
Income Tax Paid & Deducted at Source		(72,524)	(75,611)	4. Profit Surplus after Tax	-	-	-	-	-	(84,110)	(84,110)	-	-										
<b>Cash Flows from Investing Activities</b>				As at December 31, 2022				382,000	382,000	1,702,061	139,884	145,488	51,655	2,803,088									
Tangible Fixed Asset Acquired		6,012	-	5. Adjustment of Dividend	-	-	-	-	-	-	(7,640)	(7,640)	-										
RoU assets increased/(Decreased)		263	-	6. Adjustment of unrealized Gain/(Loss)	-	-	-	-	65,588	-	65,588	-	-										
Dividend receipt & Others		-	-	7. Adjustment of Profit/(Loss) on Inv	-	-	-	-	-	(24,850)	(24,850)	-	-										
Investment in Share		28	83	8. Unrealized Gain	-	-	-	-	26	-	26	-	-										
<b>Cash Flows from Financing Activities</b>				Number of Ordinary Shares (in thousand) on 31 December, 2022				38,200															
Increase/(Decrease) in Short Term Borrowing		23,608	(28,078)	Net Asset value (NAV) per share on 31 December, 2022				73.38															
Increase/(Decrease) in Long Term Borrowing		10,022	11,364	<b>STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)</b>				<b>FOR THE 2ND QUARTER ENDED DECEMBER 31, 2021</b>															
Dividend paid	(1)	(133)	(133)	Taka in '000'				Taka in '000'															
error or exchange rate change on loan and Cash Equivalents		-	-	Particulars	Share Capital	Share Premium	Revaluation Surplus	Tax Holiday Reserve	Unrealized Gain (AFS Reserve)	Retained Earnings	Total												
<b>Closing Cash and Cash Equivalents</b>				As at July 1, 2021				382,000	382,000	1,585,248	139,884	973	104,767	2,594,872									
Net Increase/(Decrease) in Cash and Cash Equivalents		3,550	4,132	2. Revaluation Surplus	-	-	(17,606)	-	-	17,606	-	-	-										
Opening Cash and Cash Equivalents		26,865	39,397	3. Adjustment for Deferred Tax Liability	-	-	2,641	-	-	-	2,641	-	-										
<b>Net Operating Cash Flows per Share (NOCFPS)</b>				As at December 31, 2021				382,000	382,000	1,570,283	139,884	796	126,286	2,601,249									
Number of Ordinary Shares (in thousand) Used to Compute NOCFPS	24	(0.95)	0.55	1. As at July 1, 2021				382,000	382,000	1,585,248	139,884	973	104,767	2,594,872									
<b>Note :</b>				2. Revaluation Surplus				-	-	(17,606)	-	-	-	-									
*The accompanying policies and explanatory notes form an integral part of these Financial Statement.				3. Adjustment for Deferred Tax Liability				-	-	2,641	-	-	2,641	-									
*The details of the published 2nd Quarter ended December, 31, 2022				4. Profit Surplus after Tax				-	-	-	-	11,553	11,553	-									
Un-Audited Financial Statements are available in the website of the company. The address of the web-site is www.primegroup.com.bd				5. Adjustment of Dividend				-	-	-	-	(7,640)	(7,640)	-									
				6. Unrealized Gain				-	-	-	-	(177)	(177)	-									
				Number of Ordinary Shares (in thousand) on 31 December, 2021				38,200															
				Net Asset value (NAV) per share on 31 December, 2021				68.10															
				Chairman				Managing Director				Director				Company Secretary				Chief Financial Officer			



# Garment sector to get much-needed female leaders

Discussants hope at a dialogue after HSBC-AUW School of Apparel was launched

STAFF CORRESPONDENT, Ctg

The HSBC AUW School of Apparel and Retail Management would not only prepare female leaders required for the country's apparel sector but would also help replace thousands of foreigners employed in the mid- and top levels of factories, discussants said recently.

The school, in collaboration with the industry and academia of international standard, would create a homegrown talent pool of women equipped with the expertise who will lead the country's largest export-earning industry, they said.

They shared their views during a dialogue at the Radisson Blu Chattogram Bay View recently. The event was organised on the occasion of the launch of the school. The Daily Star Editor Mahfuz Anam moderated the dialogue.

The Hongkong and Shanghai Banking Corporation (HSBC) and The Asian University for Women (AUW) announced the launch of the "HSBC-AUW School of Apparel and Retail Management" on January 21.

The school will offer a one-year master of science degree in apparel and retail management.

The programme is expected to prepare young female professionals with expertise



**Poul Nyrup Rasmussen, former prime minister of Denmark, Rubana Huq, vice-chancellor of the Asian University for Women (AUW), Md Mahbub Ur Rahman, CEO of HSBC Bangladesh, Amanda Murphy, head of commercial banking at HSBC for South and Southeast Asia, Kamal Ahmad, founder of AUW, and Mahfuz Anam, editor and publisher of The Daily Star, attend a dialogue at the Radisson Blu Chattogram on January 21. It was organised after HSBC and AUW launched the "HSBC-AUW School of Apparel and Retail Management".**

PHOTO: STAR



**Poul Nyrup Rasmussen**



**Amanda Murphy**



**Md Mahbub Ur Rahman**



**Rubana Huq**



**Mahfuz Anam**



**Kamal Ahmad**

in fashion, merchandising, supply chain management, brand management, and occupational health and safety issues and they would be able to fill up the dearth of female leadership in the sector.

Under the programme, 13 courses will be offered to the students of AUW and 30 students will be enrolled in the inaugural year.

The courses include marketing management and research, financial accounting and managerial accounting, financial management, apparel manufacturing technology, textile science, industrial engineering, operations management, advertising

and brand management, merchandising, fashion product development, supply chain management, and sustainability.

HSBC will help set up the school and provide support for curriculum, faculty, IT and class infrastructure, and education materials.

Speaking at the dialogue, HSBC Bangladesh CEO Md Mahbub Ur Rahman said the apparel industry has played a major role in helping the country achieve remarkable economic growth.

"We have realised that what has brought us here may not take us where we want to be," he said, adding that since the dynamics of the industry have changed,

there is a need for skilled leadership.

AUW Vice Chancellor Rubana Huq said there is a dearth of female leaders in the garment industry.

"We always feel the acute need for women in mid-level management. We need female merchandisers and we need female marketing heads."

She said AUW encourages entrepreneurship and hoped that the HSBC-AUW School of Apparel and Retail Management would give birth to the leaders who will be able to replace the 35,000 foreigners currently working in the industry.

"We literally pay a lot of salary to these expatriates. It's because they have a better grip over communication and understand the trade well," said Rubana, also a former president of the Bangladesh Garment Manufacturers and Exporters Association.

The courses have been designed in a manner that will cover sustainability, workers' issues and industrial relations along with everything and anything that students need to know about accounting and management, she said.

"I think with so many conscious and very confident women graduating from AUW, they will be the perfect candidates for the master's programme. They will be innovators and will make their own rules, rather than following instructions."

Former Prime Minister of Denmark Poul Nyrup Rasmussen underscored the need for proper development of women's capability for the progress of Bangladesh's apparel and textile industry.

When women will the leadership roles, something new will happen, he said, adding that Bangladesh's apparel industry needs to develop capability in terms of proactivity and productivity.

"It's not about doing the same things quicker than you did yesterday. It's about doing things in a new way than you did and having new creativity."

Rasmussen recalled when he was younger, there was a textile industry making shirts. But later it had to discontinue operations as it couldn't compete with Bangladesh since the first

generation of women employees was getting old.

But the daughters of the women employees opted to enter into design schools and their design is now one of the best in the world, he informed.

"Now, we just design the products and big international companies are using the Danish designs and creativity. So, you see, in a sense, the culture has stayed, but the thinking has been renewed with new creativity."

The creativity factor should come to the apparel industry in Bangladesh in a more dynamic way than seen before, he said.

Amanda Murphy, head of commercial banking at HSBC for South and Southeast Asia, said the garment industry itself is changing rapidly and hugely.

If local companies can't respond to those changes and adapt themselves accordingly, there is a risk that others will move up the value chain, leaving them behind, she said.

She said HSBC joining hands with AUW was not driven by any business cause.

"We have been driven by our commitment to the community in Bangladesh."

AUW Founder Kamal Ahmad said the master's programme allows to build on a liberal arts and science curriculum that instills the sense of creativity of trying to think differently with a set of technical skills.

He hoped the graduates would display such a high level of competence that "you will make a notice of that and do something with that."

According to Ahmad, there is no scope for a thinking person in the process of an old traditional garment factory.

"But when a thinking person can be introduced in that process, ideally there will be changes and suggestions for changes. But if management is not interested in thinking differently, it is unlikely to be productive."

"In order to face the future, we will have to think of research and creativity. We will have to think of bringing in other elements that can really propel the industry to be competitive."

## Square Pharma's profit up, Square Textiles' down

STAR BUSINESS REPORT

Square Pharmaceuticals saw higher profits year-on-year in the first half of the current fiscal year of 2022-23 though the growth was lower. Meanwhile, profits of its sister concern, Square Textiles, declined.

The listed drug maker registered a profit of Tk 1,062 crore, up 10 per cent, according to the company's financial report.

In the same period of the previous year, it was Tk 964 crore, up 19 per cent year-on-year.

The company's sales advanced 10.8 per cent to Tk 3,752 crore in the July-December period of fiscal year 2022-23.

The company had a large inventory and the local currency's depreciation against the greenback pushed up spending behind raw materials, which in turn impacted the profits, said a top official of the drug maker, preferring anonymity.

If the current restrictions on opening letters of credit and the local currency's depreciation continues, profits will suffer a bigger hit, he said.

The increase in costs cannot be passed onto customers at the moment as government permission was required, he said.

The company's cost for raw materials was 41 per cent of its total turnover in the six-month period

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## BSRM posts over 52% fall in profit

STAR BUSINESS REPORT

Bangladesh Steel Re-Rolling Mills Limited reported a more than 52 per cent decline in profit in the first half of the ongoing financial year owing to the higher cost of production amid tighter market conditions.

The country's largest steel manufacturer made a profit of Tk 54.34 crore in October-December of 2022-23, down from Tk 114.06 crore it clocked in the identical quarter in the previous financial year.

So, BSRM Ltd reported consolidated earnings per share of Tk 1.82 for the first quarter of FY23. It was Tk 3.82 in the same three months of 2021-22.

In a filing on the Dhaka Stock Exchange, the company said the economic situation at home and abroad was volatile during the period.

The foreign currency conversion rate sharply increased which raised the import and production costs. Moreover, there was a shortage in power supply which forced to cut production.

"As a result, the cost of production increased. On the other hand, the market of steel products was under severe pressure," said the post.

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## ACI profit drops in spite of sales growth

STAR BUSINESS REPORT

ACI, one of the country's leading business conglomerates, saw lower profits year-on-year during the July-December period of fiscal year 2022-23 despite securing higher sales.

The profit plunged 70 per cent to Tk 17.93 crore whereas the sales grew by 24.5 per cent to Tk 5,706 crore.

Meanwhile, ACI's earnings per share (EPS) stood at Tk 1.79 in the negative in the period. It was Tk 5.25 in the same period of the previous year.

Though the company's profit remains in the positive, its EPS was downed because some subsidiaries which logged better profits are co-owned by foreign shareholders, explained Pradip Kar Chowdhury, chief financial officer of ACI.

The foreigners were provided their part of the profit and the remaining was used to calculate the EPS, for which it was in the negative, he added.

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## Access to finance main barrier for businesswomen

Speakers say at a seminar

STAR BUSINESS REPORT

Access to finance is still the main barrier for women-led small and medium enterprises (SMEs) in Bangladesh, according to various experts.

Although the country's growing number of women entrepreneurs have mostly kept good payment records over the past decade, their share of the total loans disbursed still remains low, said M Abu Eusuf, a professor of development studies at the University of Dhaka.

Eusuf made these remarks at a seminar, styled "Expanding Economic Opportunities for Women Entrepreneurs in Bangladesh", at Pan Pacific Sonargaon in Dhaka yesterday.

The SME Foundation and The Asia Foundation jointly organised the event.

In the second phase (July 2021 to May 2022) of a government stimulus package geared towards helping SMEs overcome the Covid-19 pandemic, a Tk 20,000 crore fund was formed to this end. Of this amount, just 2.65 percent was disbursed to women entrepreneurs, he added.

Quoting a study conducted by The Asia Foundation, Eusuf said more than 75 per cent of the surveyed respondents cited a lack of financing as a challenge for adapting their businesses to comply with Covid-19 restrictions.

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**Visitors crowd the Dhaka International Trade Fair at Bangladesh-China Friendship Exhibition Center in Purbachal on the concluding day of the monthlong show yesterday. Some 30 lakh to 35 lakh visitors came to the DITF this year -- a 37 per cent rise than that in the previous version, according to Commerce Minister Tipu Munshi.**

PHOTO: PALASH KHAN

## DITF ends bagging Tk 300cr orders

STAR BUSINESS REPORT

Defying all odds, purchase orders worth Tk 300 crore were placed with exhibitors of the annual monthlong 27th Dhaka International Trade Fair (DITF)-2023 at Bangladesh-China Friendship Exhibition Center in Purbachal.

Moreover, there were some 30 lakh to 35 lakh visitors, up 37 per cent year-on-year, said Commerce Minister Tipu Munshi in a commerce ministry press statement.

Goods worth Tk 100 crore were sold at the fair, which featured some 351 local and foreign stalls, pavilions and mini pavilions. There were 225 in the previous year.

Some 11 lakh entry tickets were sold, with adults being charged Tk 40 and minors Tk 20.

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