

## PROMOTION IN BANK 'Rules on compulsory diploma discriminatory'

AKM ZAMIR UDDIN

The syllabus of banking diploma examination must be modernised and made objective and practical to cater to modern day bankers, said Anis A Khan, a former chairman of the Association of Bankers, Bangladesh.

This is especially true for the current global environment where change is happening at break-neck speed, with the advent of the Fourth Industrial Revolution, artificial intelligence, machine learning and now the latest phenomenon of ChatGPT, he said.

It will be very tough for bankers to pass the exam smoothly if the existing curriculum is retained, he said in a phone interview with The Daily Star yesterday.



Anis A Khan

Bangladesh Bank is the principal regulator and guardian angel of the country's economic lifeline - the financial services industry, he said.

It is known as a caring regulator and its officials are good listeners and endeavour to help all who approach them, he said.

The changes must be brought about before a recent Bangladesh Bank circular is enforced, he said.

The February 8 circular made securing the banking diploma of the Institute of Bankers, Bangladesh mandatory for bankers to get promoted to senior officers and above.

It said bankers have to pass both parts of the exam, a "Junior Associate" and a "Diploma Associate", which is deemed a benchmark of knowledge and experience of bankers regarding banking rules and norms.

The requirement has already generated many discussions amongst bankers and in banking circles in Bangladesh.

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## THE LOSS-MAKERS

18 Mutual funds  
10 Engineering companies  
6 Garment companies  
Others: food makers and tanneries

## WHY MUTUAL FUNDS FARED BADLY



Ailing stock market



DSEX plunged 4% to 6,195 points during Jul-Dec



Most well-performing stocks lacked buyers

## CHALLENGES FOR OTHER SECTORS



Expensive dollar



Higher prices of fuel



Price hike of raw materials



Higher costs of transportation



Fall in demand



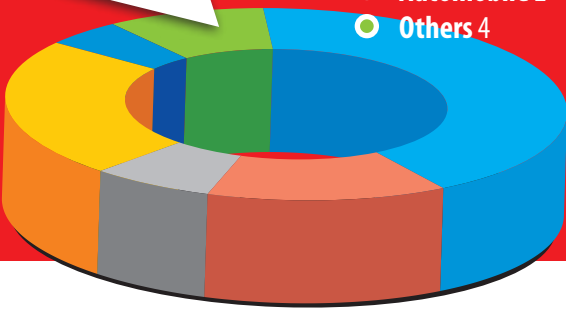
The mutual fund industry has been impacted massively as they were invested heavily in well-performing stocks. But stocks have dropped and are stuck at floor price.

Mir Islam  
managing director of  
Sandhani Asset Management

## LOSS-INCURRING SECTORS

Number of companies; Jul-Dec 2022  
Data compiled by Sandhani Asset Management

- Mutual fund 18
- Textile 6
- Fuel & power 3
- Engineering 10
- Automobile 2
- Others 4



# Economic crisis sends 43 listed firms, mutual funds into losses

AHSAN HABIB

At least 43 listed companies and mutual funds fell to losses in July to December of the ongoing financial year after reporting profits in the identical half a year ago.

A massive depreciation of the local currency against the American greenback, higher prices of raw materials and fuel, and lower sales amid escalated inflationary pressure have been blamed by the companies for the loss.

Some 218 companies listed on the Dhaka Stock Exchange (DSE) have published their financial report for the first half of 2022-23. Of them, 43 firms reported fresh losses, according to the data compiled by Sandhani Asset Management.

Among the companies, 18 are mutual funds, 10 firms are from engineering sector, six are from garment industries, and three are from the power sector. There are also food makers and tanneries.

Owing to the current economic volatility, big names such as ACL, GPH Ispat, Runner Automobiles, and BSRM Ltd incurred losses in July-December.

For example, GPH Ispat, a steel

maker, posted Tk 84.79 crore loss in the first half of FY23, way down from a profit of Tk 94.93 crore in the July-December of FY22.

BSRM Ltd, the country's largest steel manufacturer, reported a loss of Tk 110.18 crore for July-December, reversing

commodity crisis, the Russia-Ukraine war, the depreciation of the local currency, higher prices of raw materials and the fall in demand," said Anis A Khan, an executive member of the Bangladesh Association of Publicly Listed Companies.



from a profit of Tk 242.15 crore in the first half of FY22.

Other companies that also suffered losses in the two quarters compared to a year ago include Legacy Footwear, Apex Tannery, Salko Spinning Mills, Prime Textile Spinning Mills, Rahim Textile Mills, and Golden Harvest Agro Industries.

Twenty-two companies remained in the red.

"This is a combined effect of Covid-19 and the global

No sooner had the severe impacts of the coronavirus pandemic gone away than the global economy was handed a fresh blow after the war broke out in February last year.

The conflict hit the already battered global supply chains. As a result, a global energy crisis surfaced and the global commodity market turned volatile.

Bangladesh's economy was not spared as an unprecedented

import cost in the last fiscal year meant the foreign exchange reserve came under pressure. The strain has continued in the current financial year as well.

So, the foreign exchange reserves dropped 19 per cent to \$33.83 billion in the first half of FY23, Bangladesh Bank data showed.

As a result, companies have been experiencing persisting difficulty in importing capital machinery and raw materials. On top of that, the local currency depreciated to a large extent so raw material prices also went up, said Khan, also a former managing director of Mutual Trust Bank.

The taka weakened by about 14.5 per cent in July-December of FY23 because of US dollar shortages. Since the war began, the currency has lost its value by about 25 per cent, making imports expensive.

As the war-induced crisis drags on, most of the companies felt the pinch in recent quarters. In fact, around 70 per cent of the listed companies in Bangladesh either suffered losses or witnessed lower profits in the July to December period.

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## Green factories brighten image of apparel sector

REFAYET ULLAH MIRDHA

Bangladesh's apparel industry has witnessed numerous ups and downs ever since the deadly fire at the Tazreen Fashions factory in Ashulia and collapse of Rana Plaza in Savar about a decade ago.

Following these two disasters, the industry underwent massive reforms while also being made to withstand the severe implications of Covid-19 and now the ongoing Russia-Ukraine war.

Still, it has defied the prolonged global economic downturn as export earnings from the sector remain in the positive territory.

The apparel industry's strong showing over the years mainly comes down to two reasons.

First, Bangladesh has implemented remediation measures to strengthen workplace safety as suggested by the Accord on Building and Fire Safety in Bangladesh and Alliance for Bangladesh Worker Safety.

Second, Bangladesh continued supplying apparel products even during the Covid-19 pandemic, when most factories across the globe had shut down.



These two factors boosted the confidence of international retailers and brands in regard to the domestic apparel industry. As such, the country has performed well at a time when most garment producing nations are struggling to keep the business afloat.

As a part of their sustainability and workplace safety initiatives, local suppliers had started building green garment factories in hopes of brightening the sector's image.

This is because Western buyers were avoiding Bangladesh as a sourcing destination after the two industrial disasters in 2012 and 2013 exposed the poor state of labour rights and environmental compliance in the sector.

At the time, consumers in the EU and the US were seen protesting outside various retail outlets, urging them not to buy the "blood-stained garment items made at sweatshops in Bangladesh".

But within the span of about 10 to 11 years, Bangladesh has become home to half of the top 100 green industrial units worldwide.

Being the global champion in green factories certified by the Leadership in Energy and

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STOCKS		WEEK-ON WEEK
DSEX ▼	CASPI ▼	
0.18%	0.25%	
6,283.31	18,535.29	

COMMODITIES		AS OF FRIDAY
Gold ▲	Oil ▲	
\$1,865.51 (per ounce)	\$79.77 (per barrel)	

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▼ 0.20%	▲ 0.31%	▲ 0.04%	▼ 0.30%	
60,682.70	27,670.98	3,360.69	3,260.67	

## Pvt ship owners irked over BSC privilege

It's been given sole right to carry govt cargo

SOHEL PARVEZ

A shipping ministry rule issued last week stipulating that only Bangladesh Shipping Corporation (BSC) will be able to carry goods imported by the government has created frustration among private oceangoing ship operators.

Bangladesh Flag Vessels (Protection) Rules refers to the public procurement rules 2006.

"We are very upset. We are completely frustrated with the rule," said Bangladesh Ocean Going Ship Owners' Association Chairman Azam J Chowdhury.

"We also operate Bangladesh flag carrier vessels. Then, why cannot we get the right to transport government's cargoes," he asked.

The rule will allow the state shipping agency to transport goods such as essential commodities and fertiliser imported by public enterprises, he said.

The entities are namely the Trading Corporation of Bangladesh, Bangladesh Chemical Industries Corporation and Bangladesh Agricultural Development Corporation, said Chowdhury.

"Constitution has given equal rights to all. If so, why do we not get equal rights," he said, adding that the private sector had increased investment in oceangoing shipping to carry freight to and from Bangladesh.

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Clothing stores are now showcasing products featuring yellow and red, the representative colours of spring, marking celebrations and festivals for Pohela Falgun, the first day of spring and eleventh month in the Bangla calendar. The photo was taken at Bashundhara City shopping mall in Dhaka last Thursday.

PHOTO: SK ENAMUL HAQ

## Runner launches locally-made three-wheeler

STAR BUSINESS REPORT

Runner Automobiles yesterday launched the country's first "Made in Bangladesh" autorickshaws for the local and foreign markets.

At least 70 per cent of the vehicle except for some components of the engine have been made locally through technical collaborations with Indian automaker Bajaj Auto, said Hafizur Rahman Khan, chairman of Runner Group.

Around 30,000 autorickshaws run by liquefied petroleum gas and compressed natural gas will be produced a year at Runner Automobiles' three-wheeler plant in Mymensingh's Bhaluka, he said at the launch.

Some 300 local and 400 foreign workers have already been employed for the 10-acre Runner factory

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A farmer inspects his sunflower plants on four bighas of land in Char Hasal Kandi by the Jamuna river in Gaibandha's Phulchari upazila. Cultivated for their edible seeds which contain oil alongside use of their leaves as fodder, sunflower is planted from mid-November to mid-December whereas harvests are made from late February to mid-March. Around 2,006 tonnes of the seeds were produced from some 3,951 acres of land around the country in fiscal year 2020-21, according to the Bangladesh Bureau of Statistics. The photo was taken recently.

PHOTO: MOSTAFA SHABUI

# Five firms make up one-third of weekly stock turnover

Rumour-based trading behind their rise, experts say

## STAR BUSINESS REPORT

Just five companies contributed about one-third of the turnover registered by the Dhaka Stock Exchange (DSE) last week as investors rushed to buy shares heeding rumours that their values would go up. Stocks of these companies — Genex Infosys, Bangladesh Shipping Corporation, Shinepukur Ceramic, Sea Pearl Cox's Bazar Beach Resort and Orion Pharma — saw Tk 234 crore worth of trade over the past five days with average turnover standing at Tk 648 for the week. Overall trading in the market is now mostly rumour based as various speculations on some companies fuelled their share value, according to a senior official of a brokerage house. As a result, trading is currently concentrated on these stocks, he added. He went on to say that most institutional investors are applying the

wait-and-see approach and so, even some well performing stocks are stuck with low values if not the floor price. The Bangladesh Securities and Exchange Commission had set floor prices for each stock at the end of July last year in a bid to halt the freefall of market indices amid global economic uncertainties. Each stock's floor price was decided based on their average closing price on July 28 last year and the preceding four days. The DSEX, the benchmark index of the country's premier bourse, closed in the negative territory for a second week in a row as shaky investors continued their selling spree in major sectors, International Leasing Securities said in its weekly market analysis. Most investors remained pessimistic and reluctant to make fresh investments as they failed to find any clear direction

about the market's future movements. In addition, there are persisting concerns about state of Bangladesh's macroeconomic indicators, such as inflation, interest rates and ongoing US dollar crisis. The taka was devalued by about 14.5 per cent in the July-December half of fiscal 2022-23 due to US dollar shortages. Since the Russia-Ukraine war began, the local currency has weakened by a total of about 25 per cent, making imports more expensive, as per Bangladesh Bank data. In August, the Consumer Price Index (CPI) rocketed to a 10-year high of 9.52 per cent, according to the Bangladesh Bureau of Statistics. The CPI then fell to 8.71 per cent in December, which was still high considering historical trends. And although the country's economic indicators are heading towards stability now, investors are still suffering from a

confidence crisis, it added. The DSEX lost 11.4 points over the week while the DSES, an index comprised of shariah-compliant companies, shed 2.1 points and the DS30, which represents blue-chip stocks, gained 4.6 points. However, the average weekly turnover rose by 14.23 per cent to hit Tk 648.7 crore at the same time. Among all sectors, jute rose by 8.3 per cent, travel and leisure advanced 3.1 per cent, and paper and printing climbed 2.3 per cent while general insurance dropped 4.3 per cent and IT fell by 4.3 per cent. Investor activity was mostly focused on the IT (16.2 per cent), pharmaceuticals and chemical (14.2 per cent), and miscellaneous (11 per cent) sectors. Elsewhere in the port city, the Chittagong Stock Exchange saw its prime index, the CASPI, lose 47.9 points over the week.

## AB Bank COO becomes DMD

### STAR BUSINESS DESK



AB Bank has recently promoted its chief operations officer to the post of deputy managing director (DMD). The official, Md. Aminur Rahman, is also a member of AB Bank Capital Market Investment team. He joined the bank in 2000 and earlier worked for subsidiary Cashlink Bangladesh, said a press release.

## Oil price rises 2pc as Russia plans to cut output

### REUTERS, New York

Oil prices rose more than 2 per cent on Friday and posted weekly gains of over 8 per cent, as Russia announced plans to reduce oil production next month after the West imposed price caps on the country's crude and fuel. Brent crude futures rose to settle at \$1.89, or 2.2 per cent, to \$86.39 a barrel. US West Texas Intermediate crude futures (WTI) were up \$1.66, or 2.1 per cent, at \$79.72. Brent posted a weekly gain of 8.1 per cent, while WTI gained 8.6 per cent. Russia plans to reduce its crude oil production in March by 500,000 barrels per day (bpd), or about 5 per cent of output, Deputy Prime Minister Alexander Novak said. Western nations have imposed restrictions, trying to choke off Russia's oil revenues in response to the country's actions in Ukraine. The production cut indicates that the European Union's recent price cap and ban on Russian oil products, which came into effect on Feb. 5, have had some impact. "Most analysts have already penciled in Russian production falling by 700,000-900,000 in 2023," said Rebecca Babin, senior energy trader at CIBC Private Wealth US. "The key for crude to break out of its current trading range is Chinese demand recovery."

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (FEB 11, 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 48-Tk 52	2.04 ↑	8.7 ↑
Loose flour (kg)	Tk 56-Tk 58	-5 ↓	65.62 ↑
Lentil (kg)	Tk 95-Tk 100	-2.5 ↓	0
Soybean (litre)	Tk 168-Tk 172	-2.86 ↓	13.71 ↑
Potato (kg)	Tk 22-Tk 25	0	34.29 ↑
Onion (kg)	Tk 30-Tk 40	-6.67 ↓	16.67 ↑
Egg (4 pcs)	Tk 45-Tk 47	10.84 ↑	27.78 ↑

SOURCE: TCB



Monzurur Rahman, chairman of Pubali Bank, attended an "Annual Managers' Conference-2023" at Long Beach Hotel in Cox's Bazar recently. Mohammad Ali, managing director, presided over the conference, where Moniruddin Ahmed, Fahim Ahmed Faruk Chowdhury, Rumana Sharif, M Kabiruzzaman Yaqub, Azizur Rahman, Md Abdur Razzak Mondal and Rana Laila Hafiz, directors, and Mohammad Naushad Ali Chowdhury, independent director, were present.

PHOTO: PUBALI BANK



Towfika Aftab, chairperson of Citizens Bank, attended an "Annual Business Review and Way Forward Strategy Meeting" at its head office in Motijheel, Dhaka recently. Mohammad Masoom, managing director, presided over the meeting where Masuduzzaman, Chowdhury Mohammed Hanif Shueb, Mohammed Iqbal, Mukhlesur Rahman, Mohammad Abdul Salam, Sk Md Iftekharul Islam and SM Shafiqul Hoq, directors, and NKA Mobin, independent director, were also present.

PHOTO: CITIZENS BANK



Md Abdul Malek, chairman of Mutual Trust Bank, and Syed Manzur Elahi, vice-chairman, attended an "Annual Town Hall 2023" in Dhaka on Friday. Syed Mahbubur Rahman, managing director, Chowdhury Akhtar Asif, additional managing director, and Goutam Prosad Das, Md Khalid Mahmood Khan and Rais Uddin Ahmad, deputy managing directors, attended the daylong event, where awards in 74 categories were also announced for top performers.

PHOTO: MUTUAL TRUST BANK

## Russian inflation slows in Jan

### REUTERS, Moscow

Annual inflation in Russia slowed further in January, but consumer prices rose in month on month terms, data showed on Friday. Inflation has slowed since accelerating sharply after Russia began what it calls a "special military operation" in Ukraine on February 24, a move that triggered sweeping Western sanctions and disrupted supply chains. In January, annual inflation slowed to 11.77 per cent from 11.94 per cent a month earlier, data from the statistics service Rosstat showed. Analysts polled by Reuters expected a slowdown to 11.5 per cent. The Bank of Russia targets annual inflation at 4 per cent. Month-on-month, the consumer price index (CPI) rose 0.84 per cent after a 0.78 per cent increase in December. In March, the index jumped 7.61 per cent, the biggest month-on-month increase since January 1999.



Prof Rehman Sobhan, chairman of the Centre for Policy Dialogue, and Salman F Rahman, the prime minister's private industry and investment adviser, unveiled a book titled "The Great Padma: The Epic River that Made the Bengal Delta" written by Kazi Khaleed Ashraf, director-general of the Bengal Institute for Architecture, Landscapes and Settlements, and sponsored by IFIC Bank at Aloki Centre on Gulshan-Tejgaon Link Road in Dhaka recently. Abul Khair Litu, chairman of Bengal Foundation, and Shah A Sarwar, managing director of IFIC Bank, were present.

PHOTO: IFIC BANK

## Runner launches three-wheeler

FROM PAGE B1 established at a cost of about Tk 300 crore, Khan said. "A few local organisations have also cooperated with us. This vehicle will help in transportation of the common mass along with creating more jobs." "Through this, a domestic company for the first time brought a three-wheeler autorickshaw to the market after manufacturing it in the country," said Salman F Rahman, prime minister's adviser on private industries and investment, after inaugurating the plant. Although the autorickshaws have been produced in the country, Bangladesh still has to import 20-30 per cent of the parts to make the three-wheeler, Rahman said. "We want to be fully capable of

manufacturing three-wheelers. Runner will fulfil this gap in future." He said the government will extend all-out support for the expansion of the export-oriented automobile industry. Domestic companies should adopt modern technologies to increase production and remain competitive, he said. "Runner is the first manufacturer and exporter of motorcycles in Bangladesh," said Subir Kumar Chowdhury, managing director and CEO of Runner Automobiles. "With the autorickshaw, we entered into the three-wheeler industry today. We hope we will be successful in this industry like motorcycles." "This is not only the first three-wheeler factory in Bangladesh, but also the first Bajaj three-wheeler

factory outside of India," said KS Grihapati, president of Bajaj Auto. "We are excited to work with Runner. The organisation has already proved their capabilities." He said Bajaj will contribute to the development of automobile industry in Bangladesh. There are about five lakh three-wheelers in the country, but only one lakh are registered, said Abdul Matlub Ahmad, president of Bangladesh Automobiles Assemblers and Manufacturers Association and chairman of Nitul-Niloy Group. "It becomes difficult to hold these vehicles accountable in case of an accident." The government should take strong measures to ensure registration of all three-wheelers in the country, he said.





Baskets of various vegetables, including capsicum, cucumber, brinjal, green chilli and tomato, are displayed at the Seed Congress that kicked off at the Bangabandhu International Conference Centre in Agargaon, Dhaka yesterday. This year, the event is focused on the production and supply of quality seeds so that farmers are more encouraged to grow vegetables and thereby help meet local demand.

PHOTO: RASHED SHUMON

## No compromise on quality of seeds: Razzaque

STAR BUSINESS REPORT

There will be no compromise on the quality of seeds of crops and other agriculture products in the country, Agriculture Minister Muhammad Abdur Razzaque said yesterday.

"Quality seeds are crucial for good yield and productivity. So, the public and private institutions need to work together to ensure that farmers can use local seeds with full confidence."

The minister spoke while addressing the inaugural session of the "Seed Congress" at Bangabandhu International Conference Centre in Dhaka organised by the agriculture ministry and Bangladesh Seed Association.

The government has not increased the prices of fertilisers in the country despite the fourfold rise in their rates in the international markets, he said.

"Fertiliser and seed prices did not increase in the local markets and will not increase in near future also. Rather the government is now extending four times higher subsidy than before."

The seed companies should focus more on working with honesty, as many are still complaining about low-quality seeds, he said.

"I have received reports from the field that half of the seedlings did not grow. Still some companies have a tendency to cheat the farmers with low-quality seeds."

He also said the seed association should play a responsible role in this regard.

The seed companies will benefit if they gain the farmers' confidence on the quality of the seeds, Razzaque said.

There has been no shortage of fertiliser and seeds in the last 14 years, as the current agriculture-friendly government has established good governance in agricultural inputs, he said.

## Fast-track technology adoption: experts

STAR BUSINESS REPORT

Bangladesh should fast-track the adoption of technologies to make the most out of them with a view to taking the country forward, said speakers yesterday.

There is faster technology adoption in the private sector but the same is not happening in the public sector, said Saumitra Kumar, head of corporate affairs of BSRM Group of Companies.

"In order to benefit from technologies and take Bangladesh forward, the speed of technology adoption has to be accelerated."

He made the comments at a panel discussion on "Technology in Infrastructure Sector" on the concluding day of the INFOCOM Dhaka 2023 at the Westin Dhaka yesterday.

INFOCOM is India's leading technology, business and leadership conference and an international platform that has been promoting ICT, in India and beyond for more than 21 years.

INFOCOM, in association with the Saarc Chamber of Commerce & Industry and The Daily Star, organised the sixth edition of the event.

The conference brought together business and technology leaders from India and Bangladesh with an agenda to interact and discuss the latest trends in technology, share key experiences and

learning with peers from the industry and help enable businesses to step into the next phase of collaborative growth through the use of information and communication technologies.

Kumar said in many cases it takes a lot of time for government officials to give decisions on time due to bureaucratic red tape. So, sometimes total resources may go to waste.

He said his company has been involved in various infrastructure projects in Bangladesh, including those for the Bangladesh Water Development Board, the Local Government Engineering Department, the Roads and Highways Division, and Gas Transmission Company Limited.

"Many things will be done but nothing will be effective. Therefore, it is necessary for the government to emphasise the effective use of technologies."

Masud Khan, chief adviser of Crown Cement, said a lot of automation was being done in the cement industry but many people might not know about it.

Faizur Rahman Khan, managing director at Building Technology & Ideas Limited, said Dhaka was once a vibrant city, but the city had been developed in an unplanned manner. He said a gazette on the detailed area plan (DAP) has been published recently.

"All stakeholders will have to work closely for a proper implementation of the DAP."

## Green factories brighten image

FROM PAGE B1

Environmental Design (LEED) programme of the US Green Building Council (USGBC), there are 63 platinum rated garment units in the country.

Meanwhile, another 110 are gold rated, 10 are silver rated and four are just certified.

Platinum certification is the highest category in the ranking system while gold is second and silver is third. The fourth category is for industrial units that just meet the minimum requirements.

Besides, more than 500 other garment factories are awaiting LEED certification for their green initiatives, according to the Bangladesh Garment Manufacturers and Exporters Association.

China has the second highest number of platinum rated factories with only 10 while Pakistan places third with nine.

Other global leaders in LEED certification include India and Sri Lanka with six each while Taiwan and Vietnam have four.

Myanmar and the US each have two platinum rated factories while Ireland, Italy, Indonesia, Mexico, Poland, Paraguay, Romania, Turkey and the UAE have one apiece, as per data from the USGBC.

The data shows that Bangladesh is far ahead of major players such as China, the world's largest apparel supplier, when it comes to implementing green initiatives as the country boasts one of the lowest industrial carbon emissions.

However, international buyers do not pay additional or premium prices for apparel sourced from green factories as they believe it is mandatory to take up such initiatives.

This begs the question as to why local suppliers should continue investing heavily on green units when they do not receive any immediate benefit.

Compared to traditional factories, it costs 20 per cent more to set up a green unit.

But rather than worry about getting additional prices, most green

factory owners say they set up their units following relevant guidelines in order to brighten the sector's image and foster long-term relationships with buyers.

The green initiatives taken by local garment makers has helped convince Western consumers that workplace safety has improved greatly as LEED certification is only given through a rigorous process that ensures strict adherence with the guidelines.

Maintaining the required compliances, especially in regard to environmental sustainability, also helps the factories save more than 30 per cent on energy costs and water consumption.

As such, LEED certification has become a tool for marketing locally made garment products as suppliers say foreign retailers and brands give priority to green garment factories when placing work orders.

So, it can be said that garment suppliers could care less about securing additional prices for their green initiatives considering the other advantages on offer.

from the premier bourse of the country showed.

The companies that are more import-dependent such as garment manufacturers bore the brunt of the costlier US dollar since the latter has made procurement of raw materials from international markets expensive.

In August, the government raised the prices of diesel and kerosene by 42.5 per cent. Petrol price saw a 51.16 per cent jump and octane became dearer by 51.68 per cent. The moves have driven up both energy bills and transportation costs, thus the overall cost of production.

Now, most companies are trying to follow austerity measures to keep their head above water and hoping that the situation would improve soon, said Khan.

But it remains to be seen whether their hope would translate into reality since the war-induced uncertainty is still there, said an analyst.

## Pvt ship owners irked over BSC privilege

FROM PAGE B1

In recent years, Bangladesh's entrepreneurs, encouraged by prospects and tax and VAT benefits, have expanded their capacity in oceangoing shipping to secure a portion of international freight of private and public enterprises.

Today Bangladesh has 97 registered oceangoing vessels, the highest so far, with 80 ships incorporated at the end of 2021.

Most of the vessels are owned by private firms. The oceangoing ships now have a carrying capacity of nearly 30 lakh tonnes.

Chowdhury said investment in the sector would be affected because of the rule.

At present, the National Board of Revenue offers a tax exemption on income earned by oceangoing vessels flying the Bangladesh flag. It will be available till 2030.

It has also exempted value added tax on the import of vessels aged up to 25 years to encourage the growth in the number of oceangoing vessels.

Insiders said the BSC does not have enough ships to carry cargoes imported by the public agencies alone.

BSC Managing Director Commodore Md Ziaul Hoque said the private sector has a "huge scope to

participate in the government cargo transportation chain following the government rule".

"Some owners are participating actively in the government cargo transportation," he said.

Hoque said the BSC was a proven service provider in this sector and providing shipping services does not require ownership.

"The capacity in this sector depends on experience and reliability. An aged old organization, the BSC is holding these things from the beginning to end and proved by providing services to some government enterprises," he said.

The BSC, he said, transports petroleum products, jute, flood grain, fertiliser and other cargoes.

"Upon getting the right, we are working to equip in all spheres," said the official of the BSC which has eight ships, including three bulk carriers and three tankers each with a 39,000 deadweight tonnage capacity.

He said the BSC has taken up a number of projects to acquire a total of 38 vessels in the coming years until 2,041.

The rule should clarify whether the Bangladesh flag carrier vessels of the private sector can provide the service in cases where the BSC fails to do so, said Mohd Mehrul Karim, chief executive

officer of SR Shipping, a concern of KSRM Group.

"It should be clearly defined...There is no clarity in the rule," he said.

The state-owned carriers are always given priority to carry government-owned cargo to strengthen state capacity to meet any contingency, said Commodore Md Nizamul Haque, director general of the Directorate of Shipping (DoS).

Likewise, the BSC has also been given priority over others under the BSC act. However, the capacity of the BSC with only eight ships out of 97 flagships, is meagre in comparison to the need, he said.

It is worth mentioning that the total cargo carried by Bangladeshi flag ships, that includes the BSC, is less than 2 per cent of the total requirement, he added.

"So, private ships owners have ample scope to invest in the maritime sector to maximise our national cargo carrying capacity," said Haque.

Moreover, the DoS often gives waiver for state-owned cargoes to be carried by the private ship owners due to nonavailability of the BSC ships, he said.

"Our public and private sector ships have huge scope. If we can carry our own goods, we can save at least \$18 billion yearly," he said.

## Rules on compulsory diploma

FROM PAGE B1

They have already raised questions over the logic behind the requirement and the diploma programme's curriculum.

Khan said some thought this measure discriminated against people who have already attained a Masters in Bank Management (MBM) degree of the Bangladesh Institute of Bank Management.

The same was for students passing with flying colours from the country's leading public and private universities, some of which figure prominently in annual international rankings, he said.

These include the Institute of Business Administration and Faculty of Business Studies of the University

of Dhaka, said Khan, a vice chairman of Aspen Capital Solutions LLC in the USA.

This circular also applies to foreign banks who have their own tailored training programmes, held both at home and abroad for its employees, he said.

These are challenging and comprehensive and their curriculum incorporate the most modern and contemporary banking practices, said Khan, who teaches banking and finance at a leading public university and a private university.

A number of private Bangladeshi banks have also organised trainings in the country with leading international experts and some of their employees have also been

trained at distinguished centres of learning abroad, he said.

A number of upwardly mobile bankers have spoken about it in the last few days, said Khan, also a former managing director of Mutual Trust Bank.

They are of the opinion that all of the preceding qualifications should be taken into consideration for the promotion of employees, he said.

"If we look at the statistics, we find that a very small percentage of bankers are able to pass the banking diploma examination," he said.

"The syllabus is very tough to complete for people who work the entire day in a bank and they become too tired to study in the evenings," he added.

## ACI ships first batch of pharma to US subsidiary

STAR BUSINESS REPORT

Bangladeshi conglomerate ACI has completed exporting its first ever shipment of pharmaceutical products to its subsidiary, ACI Healthcare USA, located in the USA.

The products were sent from ACI Healthcare Ltd's facility situated in Narayanganj's Sonargaon, the company said in a statement today.

ACI organised a programme on the occasion at InterContinental Dhaka on February 9.

Abul Bashar Mohammad Khurshid Alam, director general of the Directorate General of Health Services; Major General Mohammad Yousuf, director general of the Directorate General of Drug Administration; M Anis Ud Dowla, chairman of ACI Group; Arif Dowla, group managing director of ACI Ltd, and M Mohibuz Zaman, managing director and CEO of ACI Healthcare Limited, attended the programme.

## Midland Bank to offer 50 lakh shares to employees

STAR BUSINESS REPORT

Midland Bank Ltd is going to offer 50 lakh ordinary shares to its employees under its initial public offering (IPO).

In September, the fourth generation bank got the nod from the Bangladesh Securities and Regulatory Commission to raise Tk 70 crore from the stock market by issuing 7 crore shares through an IPO.

The bank will issue 50 lakh shares, or 7.14 per cent of the total issues to be floated, to its employees under an employee share purchase plan, said Midland Bank in a press release.

The rest of the shares will be distributed among eligible investors and general public investors in line with the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015.

The subscription to the IPO will commence on February 16 and it will continue up to February 23.

Midland Bank will utilise the IPO proceeds to invest in government securities and the secondary market and cover IPO expenses.

As per the IPO prospectus, the total loans and advances of the bank were Tk 4,586 crore as on 31 December 2021 whereas the total deposit was Tk 5,073 crore.

The pre-IPO paid-up capital of Midland Bank is Tk 569 crore and it will go up to Tk 639 crore after the share issuance.

The sponsors and directors of the issuer will hold 78.63 per cent of the company after the bank makes its debut on the stock market.

The ratio of non-performing loans and the capital adequacy ratio were 3.17 per cent and 15.87 per cent respectively for the year that ended on December 31, 2021.

The weighted average earnings per share for the last five years was Tk 1.07.

The bank commenced its banking operation on June 20, 2013. At present, it runs its operation through 36 branches, 16 sub-branches, 57 automated teller machines, 107 agent banking outlets and 10 collection booths, covering commercially important locations across the country.





# CONGRATULATIONS

## SUPERBRANDS BANGLADESH

### 2023-24

