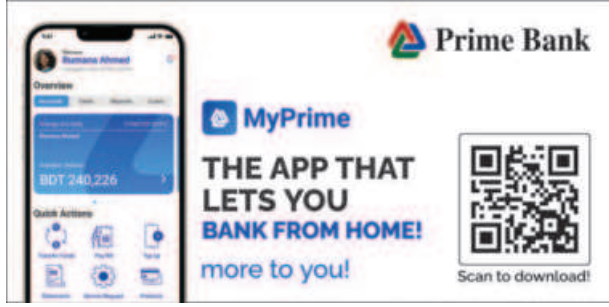


star BUSINESS



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.

READ MORE ON B3

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

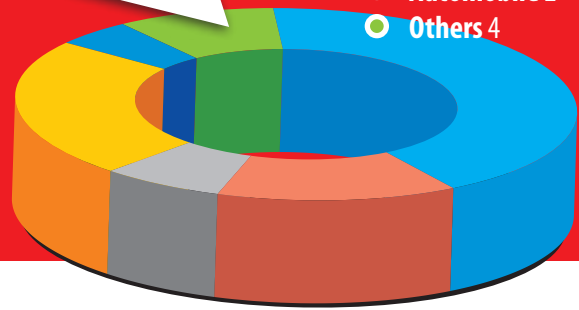
The mutual fund industry has been impacted massively as they were invested heavily in well-performing stocks. But stocks have dropped and are stuck at floor price.

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.

READ MORE ON B3

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

READ MORE ON B3

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.

READ MORE ON B3



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

READ MORE ON B2