

## DSE SME BOARD



DSE launched SME board on April 30, 2019



10 SMEs have raised Tk 104 crore from the stock market so far

## SOME UNUSUAL DEVELOPMENTS

Yusuf Flour Mills now one of the top four scrips in terms of highest share prices at the DSE

Reckitt Benckiser (Bd), Unilever Consumer Care and Marico Bangladesh are ahead of Yusuf Flour

### TIMELINE OF SHARE PRICES OF YUSUF FLOUR

Nov 9, 2022: Tk	Dec 8, 2022: Tk	March 1, 2023: Tk
26	2,884	2,081

Md Musherraf Husain, one of the sponsors of Krishibid Feed, expressed his intention to sell his entire holdings of 11.50 lakh shares within 14 months of its listing



## Companies listed with the SME board from OTC market



Yusuf Flour Mills



Bengal Biscuits



Apex Weaving and Finishing Mills



Wonderland Toys



Himadri Ltd



## WEEKLY INTERVIEW

### INT'L SUPPORT FOR GRADUATING LDCS

## Bangladesh needs to create political momentum

Says Debapriya Bhattacharya ahead of Doha Conference

AHSAN HABIB

Bangladesh needs to play a key role at the Doha Conference to create political momentum and translate that momentum into a United Nations resolution with a view to ensuring international support measures for a smooth transition of the graduating least-developed countries, said Debapriya Bhattacharya, a distinguished fellow of the Centre for Policy Dialogue.

"The graduating LDCs need to have various flexibilities for at least a certain period considering the global economic scenario," he said.

The fifth UN conference on the LDCs, a once-in-a-decade event, will take place in Doha, Qatar on March 6-9 where world leaders will gather, alongside entrepreneurs and civil society representatives, to address LDC-specific challenges.

Bhattacharya said the General Assembly took a resolution 10 years ago and the time has come to review that and create a new mandate.

"The mandate will be helpful to have successful completion of other negotiations for the graduating LDCs," he said. The negotiations are currently taking place on various platforms, particularly at the World Trade Organisation.

"And Bangladesh will have to play a pivotal role, if not a leading role, in translating the proposed graduating LDC mandate provided by the Doha Programme of Action (2022-31) into a political directive so that the LDCs and their development partners feel encouraged to implement all the commitments substantively."

READ MORE ON B2

STOCKS		WEEK-ON WEEK
DSEX	CASPI	
0.14%	0.28%	
6,213.74	18,282.79	

COMMODITIES		AS OF FRIDAY
Gold	Oil	
\$1,855.37	\$79.91	
(per ounce)	(per barrel)	

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
1.53%	1.56%	0.09%	0.54%	
59,808.97	27,927.47	3,232.02	3,328.39	

READ MORE ON B3

# Dhaka bourse's SME board falls prey to manipulators

AHSAN HABIB

Have you ever bought any pack of flour produced by Yusuf Flour Mills or heard the name of Yusuf Moyda, the brand under which the company is selling the item?

If the answer is no, then how could the stock of Yusuf Flour Mills be one of the most expensive on the Dhaka Stock Exchange (DSE)?

On February 28, its share price stood at Tk 2,312 on the SME board of the bourse, becoming the fourth costliest stock on the premier bourse of Bangladesh, leaving household names Berger Paints and Renata behind.

"The surge of the stock of Yusuf Flour Mills to the level of multinational companies shows what's actually going on in the stock market of Bangladesh," said Abu Ahmed, an analyst.

"What did the company pay back to its investors in the previous years that could have attracted a rational investor to buy it? Very little."

Since its listing, Yusuf Flour Mills has announced a cash dividend for its shareholders just once. It gave a 10 per cent cash dividend in 2020, DSE data showed.

Yusuf Flour Mills was listed on the DSE in 1987. Because of the disappointing performance, it

was sent to the over-the-counter (OTC) in 2009. In 2022, the company was brought back to the SME board.

The surprise did not end there.

A stock of Yusuf Flour Mills traded at Tk 26 on November 9 of 2022 only to skyrocket to Tk 2,884 in the span of just one month, a spike of 10,992 per cent, or more than 110 times.

"The rise of the stock price was mainly driven by manipulation," alleged Ahmed, a former professor of economics at the University of Dhaka.

Yusuf Flour Mills could not be reached for comments as its page on the DSE neither gave any contact number nor email address. The contact number on the company's own website was also found to be switched off.

Yusuf Flour Mills is not alone. In fact, most of the stocks that trade on the SME board have skyrocketed recently although the overall market has been in a bearish mood owing to the low confidence among investors because of the global and local crisis.

The stocks on the SME board surged in the past six months due mainly to speculation that a group of dishonest traders are now targeting the SME board to manipulate prices, according to

analysts.

But when people start to invest in them, manipulators dump their holdings, forcing the stocks to plummet, they warn.

In August, the stocks of Krishibid Feed Ltd climbed to Tk 46 from Tk 15 in just three months. Then the stock started to decline and the downward

selling the shares is better than holding them," Ahmed said.

"It is clear that the hike in the company's share price has benefited the sponsors. The regulator should not let the sponsors sell their stakes within a short time after the company's debut."

Sponsors of the firms that



trend accelerated after one of its sponsors announced to sell of his entire stake.

On February 2 this year, Md Musherraf Husain, the sponsor, expressed his intention to sell his entire holdings of 11.50 lakh shares at the prevailing market rate.

After the announcement, the stock slumped to Tk 15, down from Tk 25 before the price-sensitive information.

"When a sponsor sells his entire stake, it shows that the sponsor himself thinks that

trade on the main board of the DSE can't sell their shares within three years of listing. The lock-in period is just one year for SMEs.

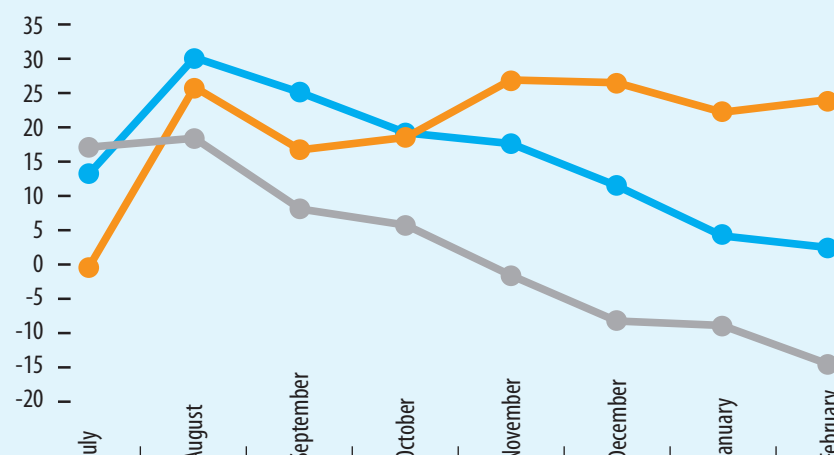
The manipulation around the SME stocks would hand a huge blow to the small and medium enterprise segment in Bangladesh since investors' trust in the genuine SMEs would also be dented, depriving them of the cheapest source of capital in a country where small-sized firms find it difficult to raise funds.

The Bangladesh Securities and Exchange Commission

## Export growth of leather and leather products

in %; SOURCE: EPB

Footwear  
Leather products  
Leather



## BSEC fines four Tk 2.40cr for illegal gains of Tk 10.22cr

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) has fined three individuals and one cooperative Tk 2.40 crore for manipulating stocks of an insurance company to gain Tk 10.22 crore.

The regulator of the capital market also fined an investor, Mizanur Rahman, Tk 1 lakh for spreading rumours about the stock market.

Moreover, the regulator handed Appollo Ispat Complex's managing director and three directors a fine of Tk 1 lakh each for failing to submit quarterly financial reports in 2020 and 2021.

The BSEC informed in separate orders that it found Md Saif Ullah, Md AG Mahmud, Kazi Sadia Hasan and DIT Cooperatives

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## Leather exporters stare at grim prospects in 2023

Say shipment volume can't improve until global economy recovers

JAGARAN CHAKMA

Growth in leather footwear exports from Bangladesh was unsatisfactory in the first seven months of the current financial year as the economic fallout of the Russia-Ukraine war has been weighing down shipments since September, according to industry people.

Export earnings from leather footwear amounted to \$458.59 million for the July-January period of 2022-2023, registering a year-on-year growth of just 4.12 per cent.

Shipments of leather products brought home \$246.07 million in the identical period, indicating growth of 22.23 per cent, shows data from the Export Promotion Bureau (EPB).

On the other hand, leather exports slumped 8.87 per cent to \$77.27 million.

The overall leather sector, the second-largest export earner after garments, suffered greatly during the Covid-19 pandemic in 2020 and 2021 as export orders took a sharp dive amid economic uncertainty.

However, it did not take much for shipments to bounce back as importers started sourcing their products from Bangladesh in a bid to reduce dependency on other producing countries, namely China.

As a result, exports of leather, leather goods and footwear reached a 10-year-high of \$1.25 billion in the last fiscal year that ended in June 2022.

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## Egyptian team to visit Bangladesh to learn about public procurement

STAR BUSINESS REPORT

An Egyptian delegation will come today on a three-day visit to learn from Bangladesh about the south Asian country's journey towards digitalisation of the public procurement system, including its design, development, implementation and sustainability.

Since 2011, a total of 14 countries, including Gambia, Bhutan, Sri Lanka, Afghanistan, Nepal, Ethiopia and Nigeria, visited Bangladesh's Central Procurement Technical Unit (CPTU) for knowledge and experience sharing on public procurement reforms and electronic government procurement (e-GP) system.

In December 2022, another such team from the Mozambique had a three-day visit to CPTU.

Egypt is now taking steps to strengthen public procurement, most notably via the 2018 Public Procurement Law, which aims to achieve efficiency of public expenditure and enhance the principles of good governance, among several other objectives.

The northeast African country has been working with the Korean Development Agency to introduce electronic procurement since 2022.

The World Bank supports Egypt's efforts to introduce electronic procurement, as it is a key pillar to an efficient, transparent, and modern public procurement system.

Bangladesh is now considered a global leader in electronic procurement, the CPTU said in a statement yesterday.

The CPTU has been implementing e-GP after its launch in 2011.

Bangladesh will organise a slew of learning sessions on procurement reforms and implementation of e-GP in Bangladesh at the CPTU, according to the press release.

Shoheler Rahman Chowdhury, director general of the CPTU under the planning ministry, is expected to chair the opening session at the CPTU.

Bangladesh has started inviting international competitive tender of goods through e-GP system, launched electronic contract management system, e-Audit manual and tenderers' database.

So far, about 60,70,000 tenders have been invited through e-GP, more than one lakh tenderers and 1,427 procuring agencies have registered with the e-GP system since 2011.

The CPTU is also working to fulfil the sustainable development goals on public procurement. It has already drafted a Sustainable Procurement Policy under the Digitising Implementation Monitoring and Public Procurement Project (DIMAPPP).

The World Bank has been providing technical support to CPTU to implement the DIMAPPP.



Farmers have been harvesting early varieties of potato, one of the most popular vegetables, for over two months. Now they are harvesting the main crop to store for their own consumption and gradually sell the surplus in the market in the coming months. Two farmers are seen in the picture using plough and yoke with bulls to bring the tubers underneath the soil. The photo was taken from Nashipur village under Dinajpur Sadar upazila, a northwestern district of the country, yesterday. PHOTO: KONGKON KARMAKER

# Cash-strapped countries face IMF bailout delays

REUTERS, London

Countries in debt distress such as Zambia and Sri Lanka turning to the International Monetary Fund (IMF) for financial help are facing unprecedented delays to secure bailouts as China and Western economies clash over how to provide debt relief.

IMF funding is often the sole financial lifeline available to countries in a debt crunch, and key to unlocking other financing sources, with delays putting pressure on government finances, companies and populations.

For Zambia, it took 271 days between reaching a \$1.3 billion staff-level agreement with the IMF – a preliminary financing deal usually agreed during a country visit – and the fund's executive board signing off, a prerequisite for actual disbursements.

The first African country to default in the Covid-19 pandemic era in 2020, Zambia's ongoing debt relief negotiations involving China have been closely watched by other countries as a test case for the major emerging market lender.

Though staff agreements can be reached without financing assurances, the IMF board needs them to approve the programme. These are guarantees that

sovereign lenders – and to some extent commercial creditors – will negotiate a restructuring in line with the IMF's debt sustainability analysis, providing relief and financing when needed.

Sri Lanka has been waiting for 182 days to finalize a bailout after a \$2.9 billion September staff level deal while Ghana, having defaulted on its overseas debt in December following a preliminary IMF deal, has yet to get board approval 80 days later.



This compares to a median of 55 days it took low- and middle-income countries over the last decade to go from preliminary deal to board sign-off, according to public data from over 80 cases compiled by Reuters.

These delays have been caused by a number of reasons, but debt experts mainly point to the fact that China is still reluctant to offer debt relief in comparable terms with other external creditors.

"They are part of the reason why these negotiations are so painfully slow," said Kevin Gallagher, director of the Boston

University Global Development Policy Center. "It's not just the Paris Club and a few New York banks anymore."

China's Ministry of Foreign Affairs didn't immediately respond to a request for comment.

Chinese Premier Li Keqiang said on Wednesday the country is willing to "constructively" participate in solving debt problems of relevant countries under a multilateral framework. But Beijing has always emphasised all creditors should follow the principle of "joint action, fair burden" in debt settlements.

An IMF spokesperson said it was a "very small number of countries" that suffered "significant delays," acknowledging this was in particular where there was a need to restructure debt owed to official bilateral lenders.

However, the time from staff level agreement to lending approval had remained "broadly consistent for a vast majority of countries," the spokesperson added.

Besides members of the Paris Club of creditor nations such as the United States, France and Japan, cash-strapped nations now have to rework loans with lenders such as India, Saudi Arabia, South Africa and Kuwait – but first and foremost China.

## Bank Asia gets new AMD

STAR BUSINESS DESK



Bank Asia has appointed an additional managing director (AMD) effective from March 1.

The appointee, ANM Mahfuz, was previously serving Prime Bank as deputy managing director and chief business officer.

Mahfuz embarked on his two decades' banking career as an officer with ANZ Grindlays Bank in 1998, said a

press release.

He went on to serve Standard Chartered Bank for over 18 years in different capacities before joining Prime Bank in May 2018.

He obtained his graduate and postgraduation degrees in economics from the University of Dhaka.

## Oil settles up on China demand hopes

REUTERS, Bengaluru

Oil prices recovered from a brief sell-off to gain by more \$1 per barrel on Friday and ended the week higher, driven by renewed optimism around demand from top oil importer China.

Brent crude futures rose \$1.08, or 1.3 per cent, to settle at \$85.83 a barrel. US West Texas Intermediate (WTI) crude futures settled at \$79.68 a barrel, up by \$1.52, or 1.9 per cent. Both benchmarks posted their highest closing levels since February 13.

Prices dropped early by more than \$2 per barrel after a media report said the UAE had held internal debates on leaving OPEC and pumping more oil. Prices rebounded when two sources with direct knowledge told Reuters the report was "far from the truth".

Brent and WTI notched their third biggest weekly percentage gains this year as strong Chinese economic data fed hopes for oil demand growth.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (MAR 4, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	3.85 ↑
Coarse rice (kg)	Tk 46-Tk 50	0	2.13 ↑
Loose flour (kg)	Tk 58-Tk 60	0	68.57 ↑
Lentil (kg)	Tk 95-Tk 100	0	0
Soybean (litre)	Tk 168-Tk 172	0.59 ↑	-1.45 ↓
Potato (kg)	Tk 19-Tk 22	-25.45 ↓	20.59 ↑
Onion (kg)	Tk 25-Tk 35	-14.29 ↓	-45.45 ↓
Egg (4 pcs)	Tk 42-Tk 45	-3.33 ↓	14.47 ↑
SOURCE: TCB			



Najith Meewanage, chief executive officer of the Commercial Bank of Ceylon PLC, attended a "CBC Business Conclave 2023" at Sheraton Dhaka recently. Sanath Manatunge, global managing director, and Lokman Hossain Miah, executive chairman of Bangladesh Investment Development Authority (Bida), along with ambassadors, senior diplomats based in Dhaka and other senior officials of Bida were present.

PHOTO: COMMERCIAL BANK OF CEYLON

## India's wheat output

FROM PAGE B4

wheat-growing areas jumped above 39 degrees Celsius for a few days in February, nearly 10 degrees Celsius above normal, according to weather department data.

Higher temperatures would lead to early maturity of the crop and grains could be shrivelled, like they were last year, said Chowdhury.

India recorded its highest ever maximum temperature in February and the weather office has warned the country is likely to experience another heatwave in March, especially in the key wheat-producing central and

northern states.

A heatwave in March could further harm the crop, which has already been showing signs of stress, said another farmer, Gopilaal Jaat.

In 2022, a heatwave in March curtailed India's wheat production to 100 million tonnes against local consumption of 103.6 million tonnes, estimates the US Department of Agriculture's Foreign Agricultural Service.

India last month estimated wheat production in 2023 could rebound to a record 112.2 million tonnes, but trade bodies are less optimistic due to the heatwave.

## Another local firm

FROM PAGE B4

Last week, Green Textile Limited Unit 4 topped the global scorecard of platinum LEED certification attaining 104 out of the total score of 110.

The joint venture of Epic Group and Envoy Legacy overtook PT Ungaran Sari Garments Pringapus 6 and 7 in Indonesia, which had been holding the top spot since May 2018 scoring 101 out of 110.

Platinum is the LEED programme's

highest certification level while gold second highest and silver third.

A fourth level is also there for industrial units, which meet minimum requirements.

Apart from LEED certified platinum garment units, Bangladesh has 109 gold, 10 silver and four just LEED certified.

Besides, over 500 other garment factories are awaiting LEED certification for their green initiatives, according to BGMEA.

## Bangladesh needs to create political momentum

FROM PAGE B1

He, however, admits that at the end of the day, the primary responsibility of taking the LDCs forward lies with national governments and the international development partners are expected to play a supportive role.

Bangladesh is preparing a smooth transition strategy to graduate from the LDC group by 2026.

"It is important that this strategy is implemented effectively. For that, we need quite a lot of in-country institutional coordination, both in public and private sectors."

Bangladesh already has a perspective plan, a mid-term plan and various sectoral plans.

"Now the transition strategy has to be aligned and implemented along with these planning government documents. Taking on board entrepreneurs and NGOs will be absolutely essential in this regard," Bhattacharya said.

Bhattacharya, also a member of the UN Committee for Development Policy that monitors the LDCs, said the excitement about the Doha LDC5 is relatively subdued since there is no last-minute negotiation regarding the outcome document.

"High-level presence on the part of the international development partners is also limited due to other competing global priorities. The stressful economic situation prevailing in the developed countries has also dampened the enthusiasm on the part of the development partners."

**DOHA PROGRAMME AND BANGLADESH**

The Doha Programme of Action for the LDCs was adopted in March 2022.

It identifies six core areas of intervention that LDCs need to make to move out of the group. All of these areas are very much relevant to Bangladesh.

First, the programme suggests investments in people so that no one is left behind. But public investment in the health and education sectors in Bangladesh is only 1 per cent and 2 per cent of the gross domestic product, respectively.

"So, ensuring universal quality education and health service would be critical for staying afloat in the impending era of the Fourth Industrial

Revolution," Bhattacharya added.

The second area is the need to leverage science, technology and innovation to expedite the socioeconomic progress of the LDCs.

The economist said Bangladesh has remained quite enthusiastic about the digitalisation of various public services.

"But given the deepening digital divide in the country, a lot needs to be done. We need to prepare for a period of artificial intelligence where there is an opportunity for Bangladesh to leapfrog."

The third agenda concerns the structural transformation of the economy through productive capacity development. This essentially means that the country will have to urgently diversify within agriculture and beyond, particularly in the manufacturing sector. In this connection, labour productivity growth is going to play a defining role.

The challenges of expanding international trade and deepening regional integration have been singled out as the fourth agenda. In the post-graduation period, international trade in goods and services has to be sustained through the introduction of new export products and by exploiting new markets.

Bhattacharya thinks Bangladesh's exporters will not only be deprived of duty and quota-free market access, but they will also have to meet conditions in the areas of workers' rights, environmental standards and intellectual property rights after the country becomes a developing nation.

In the case of regional integration, the economist said the institutional framework of South Asian regional integration currently remains in a state of limbo.

In this context, Bangladesh will have to pursue bilateral free trade agreements and sub-regional cooperation arrangements. Furthermore, the country is expected to utilise fully the opportunities offered by e-commerce in the international markets.

The fifth agenda says combating adverse fallout of climate change and environmental degradation will be very important for the LDCs.

As an environmentally vulnerable

country, Bangladesh suffers from all forms of environmental calamities. While the country is pretty good in disaster management, the inability to deal with the other issues may impede its progress in the post-graduation phase.

The sixth and final agenda speaks about renewing international solidarity and strengthening international partnerships. And Bhattacharya said Bangladesh will face an emerging global environment where aid-based development cooperation is being gradually replaced by trade and investment-driven economic cooperation.

"Enhancing the country's institutional quality and regulatory predictability has to be a prime concern as it prepares for leaving the LDC group."

He calls for creating a more enabling environment for foreign direct investment.

**GRADUATING LDCS ARE WEAKENING**

The state of graduating LDCs remains quite sombre on the eve of the Doha LDC5 as their development scene has become more challenging in the last three years because of the coronavirus pandemic and the war in Ukraine.

Angola and the Solomon Islands have recently deferred their graduation timeline. A few other graduating LDCs remain in the grey area, particularly due to their debt stress and macroeconomic instability.

Bangladesh, the star performer among the LDCs, is steadily progressing towards the finishing line of 2026. However, the country has had to accept an International Monetary Fund programme and resort to high borrowing from the World Bank and the Asian Development Bank to service its twin deficits – fiscal and external balances.

"In this context, the Doha Programme of Action acquires special significance for the LDCs in general and the graduating ones in particular," said Bhattacharya.

**DEALING WITH CORE CHALLENGES**

The ambitions and aspirations of the previous four UN Conferences for LDCs have remained largely

unrealised, according to Bhattacharya.

He thinks the major explanation lies in the slow growth of the productive capacity in these countries, their inability to spur private investment, reticence towards domestic resource mobilisation, poor quality of human asset formation, and low labour productivity.

"Further, all of these economies remain vulnerable to the external shocks either because of their high concentration of export products and markets or the heavy dependence on tourism and expatriate remittances."

Many of the LDCs are adversely affected by climate issues too, particularly in the South Pacific region. Many LDCs from Africa are in a state of conflict, resulting in a fragile economy and poor governance. Some Asian countries such as land-locked Nepal and Bhutan are geographically handicapped.

Furthermore, Covid-19 has had a severe impact on most of the countries where vaccination experiences were not satisfactory for all.

"Thus, the marginal status of the LDCs remained unchanged over the five decades," said Bhattacharya.

However, he wondered whether the depressed state of affairs of the LDCs can be explained only by their structural vulnerabilities.

It is often stated that international development did not live up to their promises in terms of the flow of concessional finance and other support measures. For example, the commitment for official development assistance had been 0.7 per cent of the gross national income of the developed countries, whereas the actual delivery was around 0.3 per cent.

International development partners, however, have offered preferential market access and flexibilities in the trade and intellectual property rights agreements.

So, the fundamental task for the LDCs is to undertake necessary domestic reforms and bolster democratic governance so as to make the best use of the international support measures available to them, Bhattacharya said.

"Indeed, the Doha programme puts due emphasis on the collateral changes expected from the LDCs."





Mosquito coil holders, piggy banks, pots, jugs and a myriad of earthen household items made in Barishal's Bakerganj upazila being delivered for sale in Khulna city. Traders say sourcing the items from so far away, some 130 kilometres by road to be exact, is worth it for the quality ensured. The photo was taken at 6 No Ghat recently. PHOTO: HABIBUR RAHMAN

# Banglalink tops the chart in customer acquisition

MAHMUDUL HASAN

The mobile subscriber base in Bangladesh saw a slight growth in January this year compared to that a month earlier, with Banglalink continuing to showcase a strong performance in expanding coverage.

Network operators added 6 lakh people to take the total number of subscribers to 18.08 crore in the first month of the year, according to Bangladesh Telecommunication Regulatory Commission (BTRC).

And Banglalink alone contributed about 55 per cent of the sector's overall growth in customers, shows the BTRC data. Robi Axiata, the second largest telecommunications carrier network, added more than 2 lakh customers while top placed Grameenphone registered only 70,000 new users and the state-run Teletalk lost some customers.

Banglalink crossed the milestone of four crore subscribers by acquiring 3.3 lakh clients in January 2023. With the new customers, Banglalink's subscriber base stood at around 4.14 crore at the end of the month.

With this achievement, Banglalink

became the market leader in terms of customer acquisition in 2022 with 26 lakh new users.

The company's strong performance can be attributed to mainly two reasons. The first is its strong performance in ensuring service quality, especially data services, while the second is its massive network expansion across the country.

As per Ookla's Speedtest Intelligence report, Banglalink delivered the fastest average download speed among the top local mobile network operators with 19 Mbps in the fourth quarter of 2022.

It recently completed the deployment of 4,000 base transceiver stations, taking the total to more than 14,500. The expansion resulted in a roughly 40 per cent expansion of Banglalink's total coverage.

"Banglalink's fast-paced network expansion drive is a demonstration of our commitment to becoming a truly national operator," Erik Aas, CEO of

Banglalink, said in a recent statement.

"Banglalink's acquisition of four crore subscribers marks the beginning of another glorious chapter in our journey," Aas added.

On a year-on-year basis, the network carrier's subscriber base grew 7.86 per cent in January.

The subscriber count of Robi Axiata, which runs operations under brand names Robi and Airtel, increased by about 2 lakh month-on-month in January to 5.46 crore.

On a year-on-year basis, its subscriber base rose by around 2 per cent. Meanwhile, Grameenphone failed to attract a large pool of customers even though a sales ban on its SIMs was lifted in early January.

With just 70,000 new customers that month, the leading network provider's subscriber base stands at 7.93 crore.

Earlier on June 29, the telecom regulator banned Grameenphone's SIM sales until it "improves its quality of service, including bringing down the call

drop rate".

The ban was eventually lifted on January 2.

After the SIM sales ban was withdrawn, Grameenphone started its market activities, stopped the degrowth in its subscribers and added 70,000 people, said Khairul Basher, head of communications at Grameenphone.

"Macroeconomic factors are also a considerable reality in the industry, resulting in a shift in customer behaviour and usage patterns," he added.

On a year-on-year basis, the company's subscriber base decreased by around 4.43 per cent. The number of customers of Teletalk decreased by 10,000 month-on-month in January to 66.8 lakh.

On a year-on-year basis, the state-run operator's total number of subscribers dropped 7 lakh in January.

Although there are around 18 crore active SIMs, there are only about 12 crore unique users as a single person can have multiple numbers, according to a top official of the telecom ministry.

As per the BTRC guidelines, each subscriber is allowed to register a maximum of 15 SIMs against their national identity card.



## Sri Lanka shows commitment to rapid disinflation - IMF

REUTERS, Colombo

Sri Lanka's decision to raise interest rates shows the crisis-hit country's commitment to reducing inflation quickly towards single-digit levels, the International Monetary Fund (IMF) said on Saturday.

In a surprise move, the South Asia nation's central bank raised rates by 100 basis points on Friday to battle inflation, which is at 50.6 per cent. The government is awaiting approval of a \$2.9 billion IMF bailout package as it endures its worst financial crisis since independence from Britain in 1948.

"Sri Lanka's inflation is declining but remains at a very high level, which has been disproportionately hurting the poor, the IMF said in a statement. "Upside inflation risks could reverse the trend and lead to persistently high inflation which is extremely costly to the economy."

Durable disinflation would help boost market confidence in the island nation, reduce excessive risk premia of government securities and ease the financing conditions for companies, which supports recovery, the global lender said.

The central bank raised its standing deposit facility rate to 15.50 per cent and its standing lending facility rate to 16.50 per cent, and said it would relax its currency band to move towards a market-determined exchange rate as it seeks to secure the bailout. The bank raised rates by 950 bps in the first half of last year to contain the country's financial crisis. But Friday's rate hike, the first since July, was largely unexpected by analysts and economists.

The IMF also backed tax hikes and power tariff increases implemented this year, which have drawn protests from public workers who have demanded a fairer taxation policy from the government.

## Pakistani rupee strengthens 2.38% versus dollar

REUTERS, Karachi

The Pakistani rupee on Friday strengthened 2.38 per cent in interbank closing at 278.46 rupees against the dollar, a day after the central bank raised its policy interest rate by 300 basis points (bps) to 20 per cent, trading data showed.

The rupee, which fell more than 6 per cent on Thursday, was trading at 275.5 against the dollar during the day, up nearly 3.5 per cent, after the opening session.

"The rupee may have appreciated over the governor's statement in the analyst meeting where he says the IMF has not asked to match the border rate," says Mustafa Pasha, chief investment officer at Lakson Investments.

Pasha added that expectations of reaching a staff level agreement soon have shot up now that

the government has floated the currency, withdrawn farmer/export subsidies, and imposed electricity surcharges.

He says, "On the other hand, it could be that the SBP has done a soft intervention or overseas Pakistanis decided to remit after seeing the rupee touch 286 against the dollar."

The value of the local currency has been depreciating amid delays in a funding deal with the International Monetary Fund (IMF), which is crucial for the South Asian's broken economy faced with a balance-of-payment crisis.

The sides have been negotiating a policy framework since the start of last month to agree on measures to bridge the fiscal deficit ahead of an annual budget around June.

A staff level agreement is yet to be signed, which finance minister Ishaq Dar said on Thursday should be done by next week.



A currency trader counts Pakistani Rupee notes as he prepares an exchange of U.S dollars in Islamabad, Pakistan on December 11, 2017. PHOTO: REUTERS/FILE

## Leather exporters stare

FROM PAGE B1

Now, the adverse impacts of the Russia-Ukraine war are stifling the sector once again.

Nasir Khan, managing director of Jennys Shoes Ltd, said his company's exports have been gradually slimming ever since they cleared shipments for winter and Christmas.

"Export orders for summer footwear are lower than what they were last year due to the rise in bank interest rates across the globe amid the economic crisis," he said, citing how retailers in Europe do not want to take the added burden to mobilise capital.

Khan went on to say that exporters have become cautious about injecting fresh funds into production considering the reduced volume of orders.

Bangladesh mainly exports low-priced products that are used by common people. But orders in this segment have slowed, which means that the global economy is weakening.

"We are not sure if this trend will continue for the rest of the fiscal year as the global crisis stemming from the Russia-Ukraine war is showing no signs of abating anytime soon," Khan added.

With this backdrop, he urged the government to resolve the issues related to bonded warehouse facilities and sought cooperation from the National Board of Revenue and customs authority to this effect.

Khan also said the leather industry does not get the necessary support from the government, for which exporters are unable to lift their earnings even though there is huge potential.

Mohammed Nazmul Hassan Sohail, managing director of Leatherex Footwear Industries Ltd, said their export growth has yet to reach pre-pandemic levels as it declined 40 per cent in the first half of the current fiscal.

"While export orders are slightly higher at the moment, the overall shipment volume is not growing," Abdus Samad, assistant general

manager of Akij Footwear Ltd, said their exports have been climbing this year even though overall export growth in the sector is falling.

While stating that export performance differs from company to company, he said that most exporters are registering lower shipments due to the ongoing global economic crisis.

As such, finished leather exports came down to \$77.27 million in the July-January period of 2022-23 while it was \$84.79 million during the same period the year before.

Mohiuddin Ahmed Mahin, president of the Bangladesh Finished Leather, Leathergoods and Footwear Exporters Association, blamed three factors for the decline in exports.

First, international prices are less compared to what they were in the preceding fiscal year.

Second, buyers do not feel interested in purchasing products from Bangladesh given the country's non-compliance with the guidelines of the Leather Working Group, a global multi-stakeholder community committed to building a sustainable future with responsible leather.

And third, the war has disrupted supply chains while also giving rise to other economic concerns.

For example, exporters shipped the same quantity of finished leather in July-January as they had last year but earnings were lower as production costs grew due to the sharp appreciation of the US dollar against the taka.

The local currency has lost its value by about 25 per cent against the American greenback in the past one year, making imports costlier.

"We have to import chemicals and other products for tanning and processing leather at higher prices due to the appreciation of the US dollar," Mahin said.

While pointing out that the prices they get have decreased by 20-25 per cent compared to last year, Mahin said he does not see how the situation can improve in 2023 until the global economy recovers fully.

## FBCCI summit to seek investment

STAR BUSINESS REPORT

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) wants its upcoming business summit to draw foreign investment to explore Bangladesh's economy and industries which bear potential, said its president, Md Jashim Uddin yesterday.

Bangladesh's economic strength and capacity, market potential, and emerging sectors will be highlighted at the international level through the summit, he said.

Jashim was addressing a press conference the country's apex trade body organised at Pan Pacific Sonargaon Dhaka to inform about partnering with the government to hold the three-day Bangladesh Business Summit 2023 from March 11 at International Convention City Bashundhara.

Marking the country's 50th anniversary of independence, the event is scheduled to share business environment improvements, investment successes and good practices and gain insights of global investors' priorities for the development of policies.

The objective of the summit includes securing concrete investment proposals, developing a solid investment pipeline for important sectors and facilitating effective networking, dialogue and partnership opportunities among national and international investors, policymakers and stakeholders, according to the organisers.

## BGMEA, Texprocil to work on Indo-Bangla trade

STAR BUSINESS REPORT

There is a huge prospect for enhancing trade between Bangladesh and India, especially in garment and textile sectors, according to Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Collaboration between the governments and among the businesses could pave the way for more bilateral trade, he said.

Hassan was speaking at a meeting with a delegation of India's Cotton Textiles Export Promotion Council (Texprocil) led by Chairman Sunil Patwari at the BGMEA complex yesterday to discuss challenges and opportunities of the bilateral trade.

"With a growing middle-class population, India is a highly potential market for Bangladesh's garment exports. Bangladesh is also a promising market for Indian cotton, manmade fibres, dyes, chemicals and other raw materials," he said.

The apparel and textile sectors have the potential to complement each other and get reciprocal benefits, he added.

The BGMEA president also called upon the countries to remove trade barriers and build adequate infrastructure and transport facilities at land ports to accommodate increased transportation demand.

In the meeting, the BGMEA and Texprocil agreed to collaborate to facilitate more business between the countries.

## Dhaka bourse

FROM PAGE B1

still qualify to meet the condition, so they have been lured to the new board, the broker said.

"The board has offered a huge scope to manipulators to make unprecedented gains. But it is contributing little to help SMEs raise funds," the broker added.

The BSEC worked on Yusuf Flour Mills stocks and found that its price was overvalued mainly because the number of tradeable (free float) shares is low whereas the number of sellers was a few, said Mohammad Rezaul Karim, spokesperson of the BSEC.

The number of shares of the flour mills is 6.06 lakh, of which 53.8 per cent is held by its sponsors, according to the DSE data.

Though the company reopened its factory, its earnings don't match the prices, he admitted.

"So, we are working to make the SMEs raise their paid-up capital. But it takes time," said Karim, urging investors to buy a stock after analysing companies' potential.

After the launching of the board, 10 SME companies raised Tk 104 crore from the market, DSE data showed.

## BSEC fines four

FROM PAGE B1

involved in serial trading to manipulate the price of the stock of Bangladesh National Insurance Company.

Serial trading is the buying and selling of shares between the same beneficiary accounts in order to impact the share price.

During the manipulation period, there were some prominent buyers and sellers of the stock, including cricket all-rounder Shakib Al Hasan, according to the BSEC.

Through the malpractice, the four gained a total of Tk 10.22 crore, showed the BSEC orders.



## BIWTA to seek 2-year extension for Nagarbari river port

AHMED HUMAYUN KABIR TOPU

After missing the deadline for a second time about eight months ago, the Bangladesh Inland Water Transport Authority (BIWTA) will seek a two-year extension for constructing a river port in Bera upazila of Pabna.

Under the project initiated by the shipping ministry in July 2018, the BIWTA was supposed to have built the port and its associated facilities at a cost of Tk 513.09 crore by June 2021.

After the project was revised, the cost was raised to nearly Tk 553 crore while the competition deadline was extended to June 2022.

Once a ferry terminal, the under construction Nagarbari river port located around 100 kilometres west of Dhaka used to enable the unloading of imported goods, such as fertiliser, coal, clinker, stones, cement and food grains, brought through the waterways from Chattogram.

Truckers would then carry the goods further out, according to Md Rafikullah, president of the Nagarbari Port Traders' Association.

At least 50 to 60 goods-laden lighter vessels would dock here every day with trade amounting to anywhere between Tk 20 crore to Tk 30 crore, he said.



**Under the project initiated by the shipping ministry in July 2018, the BIWTA was supposed to have built the port and its associated facilities at a cost of Tk 513.09 crore by June 2021.**

Md Arman, a representative of Nawapara Group, said they used to unload imported fertiliser at Nagarbari port before transporting it to north Bengal.

"However, the port's construction prompted the shift to Nawapara ghat in Jashore," he added.

But this has raised transportation costs anywhere from Tk 5,000 to Tk 10,000, said Md Rajib, an employee of Desh Trading.

A technical team of the BIWTA is working to revise the project cost and seek a two-year extension, said Md Nazimuddin Pathan, executive engineer of the BIWTA and project director of Nagarbari river port.

He claimed that the delay had occurred over land acquisition, pandemic lockdowns, rise in raw material costs and higher flow of the Brahmaputra river.

He also claimed that 60 per cent of the construction work has been completed.

The project includes constructing a jetty, offices, warehouses, associated roads, parking lot and a substation as well as fortification from river erosion and setting up a mobile crane.

Once complete, the port will be able to unload 10 big ships each day, said Md Wakil, an officer of Nagarbari port.



**Little progress is visible over the construction of the Nagarbari river port in Pabna's Bera upazila although an official of the Bangladesh Inland Water Transport Authority said 60 per cent of the work was complete. The project includes constructing a jetty, offices, warehouses, associated roads, parking lot and a substation, fortification from river erosion and setting up a mobile crane. The photos were taken at the end of last month.**

PHOTO: AHMED HUMAYUN KABIR TOPU

## Sugar's duty cut yet to bring any benefit to retail market

MOHAMMAD SUMAN and SUKANTA HALDER

Consumers in Bangladesh are still paying higher prices for sugar although a week has passed since the National Board of Revenue (NBR) removed the import duty on both raw and refined sweetener.

On February 26, the customs authority withdrew Tk 3,000 specific duty on the import of a tonne of raw sugar and Tk 6,000 on refined sugar with immediate effect. It also cut the regulatory duty to 25 per cent from 30 per cent.

But consumers, who are already struggling to make ends meet owing to the cost-of-living crisis, are yet to receive some respite from the high price of sugar, one of the key commodities used for preparing sweetened items, tea, biscuits, and confectionery.

Loose sugar has been retailed at Tk 115 to Tk 120 per kilogramme over the last two months while packaged sugar is hardly available in the kitchen market in the two largest cities of the country: Dhaka and Chattogram. Price data of the state-run Trading Corporation of Bangladesh also showed a similar price trend.

The government fixed the prices of loose and packaged sugar at Tk 107 and Tk 112 per kg, respectively, on February 1.

Yesterday, Nurul Alam Shikdar, a retailer in the Pallabi extension area of the capital, said he was selling loose sugar at Tk 120 per kg as he had not received sugar from the dealer since the reduction of the import duty.

Yusuf Ali, another retailer in Karwan

Bazar, one of the biggest kitchen markets in Dhaka, was selling the item at Tk 115 per kg.

"Buyers are not buying sugar at Tk 120. So, I have cut the price."

Most of the retailers in Karwan Bazar claimed that they are getting half the sugar they have sought from dealers. Retailers in the port city have also made similar observations.

The price of a 50-kg sugar sack, however, has dropped by Tk 40 to Tk 50 in the wholesale market in the past one week.

Sugar was sold at Tk 3,950 per maund yesterday from Tk 4,000 earlier, according to Abul Hashem, a wholesaler at Moulvibazar in Old Dhaka in the capital.

He also claimed that he was not getting 30-40 per cent of the sweetener he had ordered.

Taslim Shahriar, senior assistant general manager at the Meghna Group of Industries, one of the country's biggest commodity importers and processors, claimed dealers and wholesalers were now buying less sugar due to the losses they incurred earlier.

He said: "The sugar that we currently have has been imported by paying customs duty at the previously fixed rate. It will take some time for the new sugar to hit the market."

He hopes that the price of the product will go down by the end of this week.

Shahriar pointed out that the price of sugar in the international market was becoming unstable again.

"Sugar production in India starts in October and in Brazil from March. The prices of Brazilian sugar are going up every day. It will have an impact on the price level in Bangladesh."

More than two dozen mills in India's top sugar-producing state of Maharashtra had stopped cane crushing by the end of February, nearly two months earlier than last year, due to adverse weather, according to Reuters.

"The duty must be zero. Otherwise, there will be no major impact on the price in the market," said Golam Mostafa, chairman of Deshbandhu Group, which operates a sugar refinery.

SM Nazar Hossain, vice-president of the Consumers' Association Bangladesh, said the gas crisis, the volatility in the international market and higher import duty-refiners are cited as the factors behind the price hike.

"Their problems never end. They don't think of the consumer's side fairly."

"Only the companies will benefit if any duty exemption is given without beefing up market monitoring."

Businesses imported 3.28 lakh tonnes of raw sugar worth Tk 1,632 crore and 13,925 tonnes of refined sugar worth Tk 87.11 crore from January to February, according to data from the NBR.

Importers paid Tk 953.49 crore for raw sugar and Tk 55.03 crore for refined sugar in the form of duties.

This means the import cost of raw sugar, including the import duty, is Tk 69.79 per kg and that of refined sugar cost is Tk 102.07.

## Women's rise to the top: the invisible barriers

MAMUN RASHID

With the exception of a few, gender inequality has plagued society for centuries, with women being consistently denied access to positions of true power and influence. There have always been the more obvious and visible barriers which we are well aware of, but much more powerful and troublesome are the invisible barriers that have systematically held back qualified women from reaching the highest levels of leadership.

In the case of Bangladesh, the preconceived notions, and biases regarding traditional gender roles and stereotypes appear to be even more deeply ingrained in the culture and this can make it much more challenging for women to break into leadership positions, especially in the workplace.

It is unfortunate but also quite clear that many people still believe that women should prioritise family responsibilities over their careers and that men are supposedly better suited for leadership roles.

Despite legal protections against discrimination, women in Bangladesh and across the globe still face prejudice and discrimination in the workplace and it is those "not so obvious" and hidden societal and cultural barriers that are most operative in holding women back.

One highly prevalent example of this at the workplace is when qualified women are often passed over for promotions or even paid less than similar male colleagues for doing the same work, due to the false perception that women are less competent or less committed.

Women in our society are often automatically subjected to a greater share of caregiving responsibilities at home, which can make it difficult to balance work and family responsibilities.

Even though well-intentioned but this unconscious bias of line managers or leaders hoping to "facilitate" their female colleagues' duties at home also become the reason for not giving them more responsibilities at the workplace. Without having greater responsibilities and being engaged in real leadership roles, it will be much more difficult to create women leaders.

In a more traditional society such as Bangladesh, when a female professional is career-driven, she may also be seen as being aggressive and over-ambitious, not just by her professional peers but even by her own family. For example, a wealthy husband may fail to understand why his wife has to work so hard and the same could happen with a rich father who can't see any reason why his daughter needs to have a professional career.

Traditional diversity and inclusion initiatives are not enough to address the hidden barriers as they fail to deal with the systemic issues that underlie them. Investigation and understanding of the deeper and more psychological barriers that negatively impact women are required and then new ways of training and education, especially geared towards top-level leaders of organisations, need to be developed.

Such training sessions may be designed to help senior management let go of traditional ways of thinking and let them be more empathetic towards the struggles and barriers that women face.

Business enterprises have to redesign and re-learn the way of working to not only fully support work-life balance but also address the underlying problems by rethinking performance evaluations and addressing systemic issues that impact women's ability to rise up.

Tides seem to be slowly turning and an era of female empowerment and representation is on the horizon. From the boardroom to the political arena, women are increasingly breaking the barriers and shattering stereotypes, proving that they are just as capable and deserving of success as their male counterparts.

However, overcoming the unseen barriers that hold women back from top leadership positions requires a holistic approach that addresses the root causes of gender bias and inequality in the family, society and workplace.

The author is an economic analyst



## Another local firm gains top green factory certification

STAR BUSINESS REPORT

NHT Fashions Ltd, a concern of Pacific Jeans Group, has got recognition for establishing green factory thanks to its efforts to continue improving.

The Chattogram-based factory aced platinum Leadership in Energy and Environmental Design (LEED) recertification early this month, upgrading from gold certification it secured in 2017, according to Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

NHT Fashions scored 84 in the latest assessment by the United States Green Building Council, up from the previous score of 64.

With the latest one, Bangladesh becomes the home of 66 LEED-certified platinum factories, where most of them are green garment factories.

The recertification and upgrading reflect the entrepreneurs' commitment to sustainability and continuous development, said BGMEA Director Md Mohiuddin Rubel.

"This is an example of Bangladesh, not only Pacific Jeans. Our entrepreneurs are conscious and doing better now," he said.

"We have to take care of the environment in the long term. We have a commitment to sustainability, water saving and power saving to sustain in the competition."

Because the buyers also follow who are keeping the environment safe while working and where the products are made, he said.

READ MORE ON B2



**Workers fill sacks with wheat at the market yard of the Agriculture Product Marketing Committee (APMC) on the outskirts of Ahmedabad, India on May 16, 2022.**

PHOTO: REUTERS/FILE

## India's wheat output dented by heatwave

REUTERS, India

A heatwave in northern and central India at a time the crop is ripening is threatening to damage grains and dent the country's wheat production for the second straight year.

The reduction in production amid a drop in inventories to the lowest level in 6 years may force the world's second biggest producer of the grain to allow imports after banning exports last year.

"Winter hasn't ended yet, but during the day temperatures rise like summer," said Rameshwar Chowdhury, who has planted wheat on six acres in the Niwai village in the northwestern state of Rajasthan.

"We are irrigating fields to limit the impact, but beyond that we can't do anything."

The maximum temperature in some

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