

Star BUSINESS



Biz summit attracting investments: Jashim

SUKANTA HALDER

The Bangladesh Business Summit could help attract a good amount of investment from abroad as the capabilities of local businesses are being highlighted at the three-day event, according to Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

Around 200 foreign investors, business leaders and government officials from various countries are participating in the summit, which began at the Bangabandhu International Conference Centre in Dhaka yesterday. The event is being held as a part of the FBCCI's 50th founding anniversary celebrations.

Saudi Arabia could provide investments of up to \$7 billion as four agreements were signed in this regard on the opening day of the summit, Uddin told The Daily Star.

"But it is not like if you hold a summit today, then investment will come tomorrow. It is a long-term process as investors will consider many things before investing," he said.

Earlier in the day, the FBCCI chief had invited global business leaders to join Bangladesh's mega initiatives and take advantage of South Asia's fastest growing economy.

Citing how the country will become a regional manufacturing hub thanks to its preferable demographic dividend and connectivity with various supply chains,



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Foreign Minister AK Abdul Momen, centre, speaks at a session titled "CNN Insights: The Global View On Bangladesh" on the opening day of a three-day Bangladesh Business Summit 2023 at Bangabandhu International Conference Center yesterday. On the right is Commerce Minister Tipu Munshi and on the left Richard Quest, CNN's international business correspondent. PHOTO: PALASH KHAN

Bangladesh not heading towards Chinese debt trap

Foreign Minister Momen says at Bangladesh Business Summit

STAR BUSINESS REPORT

Bangladesh yesterday strongly ruled out the possibility of falling into any Chinese debt-trap as the return on its investments is much higher than the cost of the funds, said Foreign Minister AK Abdul Momen yesterday.

He said there is a wrong perception among many people that Bangladesh would slip into a Chinese debt-trap.

"No way... no way," Momen said.

He made the comments in replying to questions from Richard Quest, CNN's Business editor-at-large, at the Bangladesh Business Summit.

The three-day summit, organised by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), kicked off at the Bangabandhu



International Conference Centre in Dhaka to showcase the country's progress and potential to both global and local investors.

The debt-trap question has surfaced as Bangladesh has borrowed heavily from many countries, including China in recent years to pull off its growth targets. The bankruptcy of Sri Lanka, whose largest lenders include China, in 2022

has cemented the worries.

But Momen said Bangladesh has received many loans from international agencies with Japan being the largest bilateral lender.

"We are taking loans from all sources on a very prudent basis and in a calculative way."

Of the \$72.3 billion foreign loan, the World Bank accounts for \$18.2 billion, followed by the Asian Development Bank (\$13.3 billion), Japan (\$9.2 billion), Russia (\$5.1 billion), China (\$4.8 billion) and India (\$1.02 billion).

Whatever investments have been made with the debts, the return on the investments is higher than the cost of the funds, Momen said.

Bangladesh has a low risk of external

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Govt borrowing from BB may fuel inflation

AKM ZAMIR UDDIN

The government has continued borrowing from Bangladesh Bank as commercial banks have been unable to come up with much-needed funds owing to a liquidity crunch.

If the government consistently borrows from the central bank, it may fuel inflation, which has remained at an elevated level over the past year.

Between July 1 and March 2 this fiscal year, the government borrowed Tk 50,043 crore from the central bank, according to the BB data. It borrowed Tk 31,403 crore in the entire fiscal year of 2021-22.

Borrowing from the central bank usually stokes inflationary pressure as it plays a vital role in creating money circulation, said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

The policymakers are now arguing that if the government borrows from commercial banks, the credit growth in the private sector will face trouble, which eventually shrinks the GDP growth, he said.

"So, the government should set its focus on whether it wants to fight inflation or give a boost to the growth," he said.

Given the ongoing stress in the macroeconomic arena, it is difficult for the government to fulfill both of the targets - containing inflation and promoting investment -- in tandem, Hussain said.

The Consumer Price Index (CPI) rose 8.57 per cent last month, a decrease of 14 basis points from 8.71 per cent in December, according to data from the Bangladesh Bureau of Statistics (BBS).

January's inflation figure was the lowest since August when consumer prices surged to a 10-year high of 9.52 per cent.

The country is now facing a dollar shortage, creating a tough situation over clearing import bills, he said.

"If you (policymakers) try to address the ongoing dollar shortage, the government should shy away from borrowing from the central bank," he said.

Bangladesh's foreign currency reserves slipped to a six-year low of \$31.15 billion after the central bank cleared import bills to the tune of \$1.05 billion with the Asian Clearing Union (ACU) on March 6.

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'Saudis see immense trade potential with Bangladesh'

Top Saudi leader says
STAR BUSINESS REPORT

Bangladesh's bilateral trade with Saudi Arabia stood at around \$2 billion in 2021, which is way lower than the potential, and the kingdom believes the amount will increase manifold in the days to come, a top Saudi business leader said yesterday.

The Saudi king and the crown prince want to strengthen the kingdom's bilateral and regional relations with every friendly country, said Hasan Al-Huwaizi, chairman of the board of directors of the Federation of Saudi Chambers (FSC).

The Saudi government especially focuses on establishing relations with the countries which think alike and can help in moving forward in line with the global economies, he said.

Al-Huwaizi made the comments in a session of the ongoing Bangladesh Business Summit 2023 at Bangabandhu International Conference Centre in Dhaka.

The Saudi government especially focuses on establishing relations with the countries which think alike and can help in moving forward in line with the global economies

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) is organising the three-day event in partnership with the foreign ministry, the commerce ministry and Bangladesh Investment Development Authority (BIDA).

Prime Minister Sheikh Hasina's visit to Saudi Arabia gave a huge boost to the bilateral relation, when the premier also urged Saudi businesses to invest in different sectors of Bangladesh, including energy, ICT and petrochemical, Al-Huwaizi said.

Hasina also gave assurance of providing Saudi businesses with all-out support so that they can invest easily in Bangladesh, he said.

The number of visits of high-level officials of the two countries has increased in recent times as part of efforts to build strong economic relations, the top boss of the Saudi trade bodies' association said.

The Saudi government believes the decision taken in 2022 to establish a joint business council will play a vital role in building a strong bilateral tie, he said.

The deal signed for the council on October 31 last year will also improve the investors' capacity and omit all the barriers the businesses face in case of making new investments, he said.



Bangladesh Railway currently provides 16 engines for shipping goods between the Chattogram port and Kamalapur Inland Container Depot in Dhaka. Only nine or 10 were used in the January-February period this year. In 2021 and 2022, these trains ran 185 round trips on an average each month. It fell to 135 and 121 respectively in January and February this year. PHOTO: STAR/FILE

Goods transport thru Dhaka-Ctg railway halved

MOHAMMAD SUMAN, Chattogram

Cargo shipments to and from Chattogram port via railways have halved as import-export activities have fallen sharply amid the ongoing US dollar crisis, according to official sources.

About 9,211 import-export containers were moved by rail between Chattogram port and the Kamalapur Inland Container Depot (ICD) in Dhaka during the January-February period of the current calendar year.

During the first two months of 2022, some 19,078 containers were shipped between the port and the ICD, a 52 per cent decline.

"Transport of goods via railway has fallen due to the drop in imports and exports. The situation will return to normalcy if international trade activities rise again," said Enamul Karim, director (transport) of the Chattogram Port Authority (CPA).

As per data compiled by the CPA and Bangladesh Railway, 101,763 containers carrying 8.31 lakh tonnes of import-export goods were transported on the Dhaka-Chattogram route in the last fiscal year of 2021-22.

This was the first time in about 17 years that more than one lakh containers were

transported using the railway, earning the government Tk 113.59 crore as revenue.

In 2006-07, a total of 5.74 lakh tonnes of import-export cargo in 76,243 containers were transported on the route, collecting the government Tk 52.34 crores as revenue.

Bangladesh Railway has set aside 16 freight trains to ship goods on the route. About 10 were used in January and February.

The trains made up to 185 trips between Dhaka and Chattogram each month in 2021 and 2022, on average. The number of trips fell to 135 and 121 in January and February, respectively.

Karim thinks it will be possible to increase the usage of freight trains to transport import-export goods by generating awareness among businesspeople about the benefits, such as safety and cheaper costs.

"Railways and port authorities have held several discussions to this end and initiatives are being taken to make the rail transport easier and faster as well," he said.

Importers and exporters once preferred the freight train service. Now, they mostly use the road network since it is the quickest option.

"The railway authority should ensure faster services to generate interest among

businesspeople," said Mahbulul Alam, president of the Chattogram Chamber of Commerce and Industry.

"About 3-4 per cent of the import-export goods at Chattogram port are transported by rail. So, the pressure on the country's roads and waterways would reduce if the railway offers better facilities."

It currently costs between Tk 9,700 and Tk 16,100 to ship containers weighing 20 TEUs (twenty-foot equivalent units) on the Dhaka-Chattogram route by rail while it ranges from Tk 16,100 to Tk 22,600 for 40 TEUs.

Jahangir Hossain, general manager of the eastern zone of the Bangladesh Railway, said the railway is now providing more facilities as it has increased the number of locomotives and manpower.

"But there is not much demand for containers from traders due to the reduced import and export flow."

Hossain informed that several initiatives have been taken to increase the quality of rail services.

At present, 280 kilometres of the 320-kilometre Dhaka-Chattogram railway line have double tracks.

"By 2024, the entire railway will have double lines. Then it will be possible to transport goods faster than now," he said.

Frozen foods exporters assoc elects president

STAR BUSINESS DESK



Bangladesh Frozen Foods Exporters Association has recently elected its president for a two-year term (2023-24).

The electee, Kazi Belayet Hossain, managing director of Sobi Fish Processing Industries, previously led the association twice, said a press release.

Meanwhile, Ashraf Hossain Masud, managing director of the Masud Fish Processing and Ice Complex, was elected senior vice president.

Sheikh Md Abdul Baki, managing director of the Oriental Fish Processing and Culture, was elected vice president for Khulna region) while Md Shahjahan Chowdhury, managing director of the Revrain Fish and Food Processing Industries, vice president for Chattogram region.

Maqsurur Rahman (Mahi Fish Processing), S Humayun Kabir (Amam Sea Food Industries), Ashim Kumar Barua (Apex Foods), Md Masudur Rahman (Sea Fresh), Shyamal Das (MU Sea Foods), and Md Tariqul Islam Zaheer (Achia Sea Foods), were elected directors.

Aarong shifts Narayanganj outlet

STAR BUSINESS DESK

Aarong has shifted its Narayanganj outlet to Almas Point on 59 BB Road.

Tamara Hasan Abed, managing director of Brac Enterprises, inaugurated the new premises yesterday, said a press release.

The social enterprise of Brac is offering benefits through "My Aarong Rewards Customer Loyalty Programme" at this outlet for a limited time.

Mohammad Ashraf Alam, chief operating officer of Aarong, and other Aarong and Brac officials were present.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (MAR 11, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	2.27 ↑
Coarse rice (kg)	Tk 46-Tk 50	-4 ↓	0
Loose flour (kg)	Tk 58-Tk 60	3.51 ↑	57.33 ↑
Lentil (kg)	Tk 95-Tk 100	0	0
Soybean (litre)	Tk 168-Tk 172	0	0
Potato (kg)	Tk 18-Tk 20	-14.89 ↓	5.26 ↑
Onion (kg)	Tk 30-Tk 40	0	-41.67 ↓
Egg (4 pcs)	Tk 42-Tk 43	-7.61 ↓	14.86 ↑

SOURCE: TCB



Mohammad Abdul Mannan, executive director of Bangladesh Bank, attended a workshop titled "Unlocking the Potential of the Freight Forwarding Industry: Opportunities and Challenges" organised by Brac Bank in association with Bangladesh Freight Forwarders Association at Pan Pacific Sonargaon Dhaka recently. Sabbir Hossain and Tareq Refat Ullah Khan, deputy managing directors of Brac Bank, were present. PHOTO: BRAC BANK



First Security Islami Bank Managing Director Syed Waseque Md Ali, also chairman of the Task Committee of Islamic Banks Consultative Forum (IBCF), presided over an IBCF meeting at the Banks Association of Bangladesh's office in Gulshan last week. PHOTO: FIRST SECURITY ISLAMI BANK

How do we increase inward remittance?

FROM PAGE B4
The hundi cartel would remain popular unless exchange rates are made competitive, transaction costs are removed, and bank services are made efficient and semi-literate migrant-friendly.

Various global agency-backed studies have pointed to the lack of financial literacy and difficulty in accessing banks, particularly for the female family members of migrants. This should be looked into.

Experts also pointed out the exorbitant recruitment costs, about 50-60 per cent of which goes towards

"paying" visa traders in the destination countries. Without meaningful efforts to rein in the ever-increasing recruitment costs, particularly the illegal visa trade both at home and abroad, migrants will continue to bleed.

Additionally, most of our migrant workers are employed in low-paying, unskilled jobs. As a result, the amount of money they eventually send back home after their recruitment and living costs are deducted comes out to be very small. The World Bank has repeatedly suggested Bangladesh take steps to upskill its workers and look for emerging markets where

they can compete successfully.

The government also needs to come up with an integrated plan to address the complex reasons that are holding back the growth of our inward remittances and carry out research to find out why remittances are falling from the countries that have seen an increasing number of new workers from Bangladesh.

We also need to take a strong stance against trade mis-invoicing and rising capital flight and focus on the overall improvement in political governance in this regard.
The author is an economic analyst

Ensuring corporate governance

FROM PAGE B4

Last month, Singapore-based business magazine World Business Outlook honoured Iftekhar as the Best Banking CEO of the Year Bangladesh 2022, calling him "an avid promoter of sustainable development in the Bangladesh economy".

The magazine lauded his all-around performance in 2020-21. In the financial year, EBL clocked more than 13 per cent growth in earnings per share to Tk 4.88 from Tk 4.30 a year earlier.

The private bank's total assets grew 15 per cent year-on-year to Tk 38,881 crore. It attracted higher deposits and made significant investments compared to the previous financial year, according to its annual report for 2020-21.

In another major progress, EBL brought down NPLs to 2.74 per cent from 3.70 per cent.

This was way lower than the industry average of 8.16 per cent in 2022. It was 7.93 per cent in 2021, data from the Bangladesh Bank showed.

In 2022, EBL kept registering higher growth.

"We saw higher growth in deposits last year," said Iftekhar, adding EBL recorded 25-30 per cent higher collection in deposits and witnessed improvements in other major indicators.

"This is because people have trust in us."

EBL looks to retain its steady growth. "We don't want to proceed aggressively."

The bank plans to provide more services digitally apart from physical branches. So, it is investing in technologies to offer efficient services.

"We are focused on giving digital solutions to customers," said Iftekhar. EBL and the Federation of Bangladesh Chambers of Commerce and Industry are going to unveil a co-branded Visa Platinum credit card, marking the 50 years of the apex

trade on March 13, with a view to serving customers better.

Apart from investments in financial technologies, investments in human resource development are a must for banks to create good bankers, according to Iftekhar.

He has been working in the banking sector for 37 years ago. He spent half of his time at EBL, transforming the private commercial bank into one of the most successful financial institutions in the country.

"It is not right to switch jobs frequently in order to just gain some benefits."

"There is a tendency among young bankers to switch jobs. But it should not be. Rather, they should focus on building careers. It is also not right for the managing directors to change banks frequently either."

Iftekhar stressed ensuring professionalism in the banking sector.

In Bangladesh, allegations are rife that the boards of directors of many banks intervene in the day-to-day running of the lenders.

"Nothing is done by coercion in our bank," said Iftekhar.

He, however, highlighted the importance of having a good understanding between the management and the board. "The moment a gap in understanding surfaces, the problem occurs."

"Corporate governance is vital. All decisions taken by a bank should be guided by written policies."

Iftekhar led the Association of Bankers, Bangladesh, a forum of managing directors of the banks, for two terms.

He also talked about Moody's recent outlook downgrade regarding Bangladesh's banking industry.

The global rating agency early this month lowered its outlook of the banking system from stable to negative.

"It was a very harsh decision. Almost every country is facing the challenge and Bangladesh is not an

exception," Iftekhar said.

The downgrade would increase the cost of business as transaction costs for foreign trade financing are expected to go up.

"Ultimately, importers will pass the increased cost onto the shoulder of consumers," Iftekhar said.

He suggested steps to increase remittance inflows in a bid to overcome the current challenges confronting Bangladesh, including the pressure on foreign exchange reserves.

The reserves have slipped to a six-year low of \$31.15 billion, meaning it has fallen by about 30 per cent from the \$44.14 billion recorded in March last year.

"We have to increase remittances inflow at any cost. At the same time, exports will have to be increased," Iftekhar said.

He said Bangladesh has immense potential and it is going to be the 25th biggest economy in the world by 2035.

Going forward, Iftekhar said, "We have to proceed very carefully until June."

"From then, an improvement is likely."

Unilever Consumer Care posts 38.45%

FROM PAGE B4

The net asset value per share was Tk 139.60 in 2022 compared to Tk 122.88 in 2021, an increase of 13.61 per cent.

"The increase in NAV resulted from improved profitability of the company," said the disclosure.

The multinational company has declared a 300 per cent dividend for 2022: 240 per cent cash dividend and 60 per cent stock dividend.

This is the lowest cash dividend in at least eight years, data from the Dhaka Stock Exchange showed. This was the first time Unilever Consumer Care has announced any stock dividend.



A display showcasing products of leather goods and footwear companies as a part of a three-day Bangladesh Business Summit 2023 opening at Bangabandhu International Conference Center yesterday. The event has been organised by the Federation of Bangladesh Chambers of Commerce and Industry in partnership with the government. PHOTO: PALASH KHAN

Local firms show manufacturing capabilities

MAHMUDUL HASAN

From locally manufactured televisions and printed circuit boards to jeans made out of jute, a diverse range of products are being displayed by Bangladeshi companies at Bangladesh Business Summit 2023 to attract foreign clients.

Setting up dozens of stalls at Bangabandhu International Conference Center, the entrepreneurs want to show the growing manufacturing capabilities of local firms and win the hearts of global clients with top-quality products at the three-day event.

At a stall of Bangladesh Tanners Association, several companies are displaying leather-made footwear, bags and accessories.

"These are very high-quality products and 90 per cent of raw materials of the products are supplied by the local tanners," said Abdullah Al Kowser, an official of the association.

"Many people, including foreigners, are impressed with the quality of the products," he added.

The Federation of Bangladesh

Chambers of Commerce and Industry (FBCCI) is organising the three-day event, which started yesterday, in partnership with the foreign and commerce ministries and Bangladesh Investment Development Authority.

A dozen of chief executive officers of multinational companies, 200 foreign investors and business leaders from 17 countries are participating in the summit.

With the "Made in Bangladesh" tag, local tech giant Walton is displaying its prowess in locally manufacturing the next generation of innovative technology products such as laptops, mobiles, personal computers and interactive screens.

Walton's products include air conditioners (ACs) with new cooling technologies and Google certified smart televisions with Android operating systems and all major streaming apps including Netflix.

"We have already exported our television to 40 countries, including 19 European Union countries," said Wahed Khan, a senior executive of the company.

He said their ACs can be operated with voice commands in Bangla. They are

also introducing industrial solutions for manufacturers of plastic products and home and industrial cables, he said.

At a Bangladesh Textile Mills Association stall, the local textile companies are showing their manufacturing might with the latest products.

For example, Envoy Textile, which received Leadership in Energy and Environmental Design's platinum certification of US-based Green Building Council in a denim category, is displaying jeans made with banana and jute leaves.

Abul Nurujjaman, director general of the British Bangladesh Chamber of Commerce and Industry, was strolling around the stalls. "It has impressed me the way the Bangladeshi companies have brought innovation and technology to manufacture high-end products. I think they can compete with any global entity," he said.

"I found the stalls very attractive and informative. If the event draws an adequate number of people, I am sure local entities will find more places and interested parties to export their products," he said.

Nurujjaman, also managing director

of London-based Taj Accountants, said the authorities need to focus more on promoting the products and services all over the world.

Biplob Saha, manager of Diamond World which is showing their products at the event, said they can now design their own products. "So, we don't need to go abroad, to Dubai or India, to get design for the products," he said. He said Diamond World was now planning to export locally designed products.

Pran-RFL Group, a local consumer goods behemoth, is displaying around 400 export-quality products ranging from chocolates to furniture at the event.

Kaasar Ahmed, founder and CEO of WHITELION & Associates, a consulting firm focusing data science, cybersecurity and automation technology, said it was a big platform for him to explore collaborations with local and global clients.

"Since I work in the technology sector, I feel that there are many ways I can explore so many great collaboration opportunities from this session. In my point of view, today was totally worth it with respect to business networking," he said.

Silicon Valley Bank: largest failure since 2008 crisis

REUTERS

Startup-focused lender SVB Financial Group became the largest bank to fail since the 2008 financial crisis on Friday, in a sudden collapse that roiled global markets, left billions of dollars belonging to companies and investors stranded.

California banking regulators closed the bank, which did business as Silicon Valley Bank, on Friday and appointed the Federal Deposit Insurance Corporation (FDIC) as receiver for later disposition of its assets.

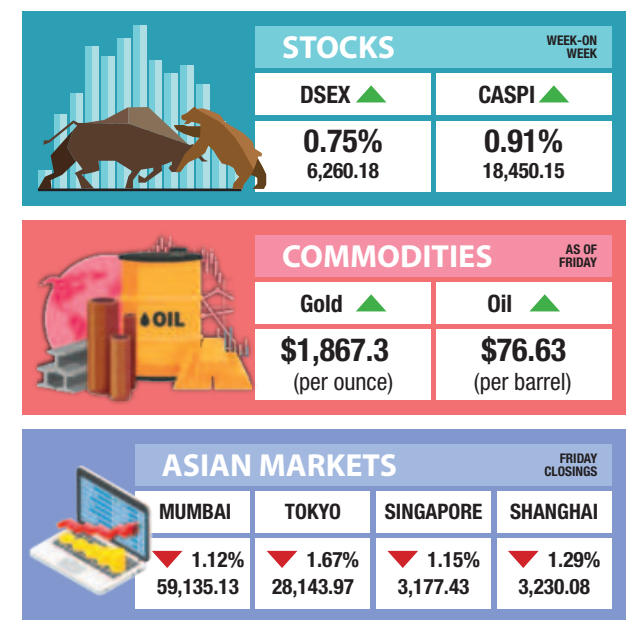
Based in Santa Clara, the lender was ranked as the 16th biggest in the US at the end of last year, with about \$209 billion in assets. Specifics of the tech-focused bank's abrupt collapse were a jumble, but the Fed's aggressive interest rate hikes in the last year, which had crimped financial conditions in the start-up space in which it was a notable player, seemed front and center.

As it tried to raise capital to offset fleeing deposits, the bank lost \$1.8 billion on Treasury bonds whose values were torpedoed by the Fed rate hikes.

Silicon Valley Bank's failure is the largest since Washington Mutual went bust in 2008, a hallmark event that triggered a financial crisis that hobbled the economy for years. The 2008 crash prompted tougher rules in the United States and beyond.

Since then, regulators have imposed more stringent capital requirements for US banks aimed at ensuring individual bank collapses won't harm the wider financial system and economy.

The main office and all branches of Silicon Valley Bank will reopen on March 13 and all insured depositors will have full access to their insured deposits no later than Monday morning, the FDIC said. But 89 per cent of the bank's \$175 billion in deposits were uninsured as the end of 2022, according to the FDIC, and their fate remains to be determined. The FDIC is racing to find another bank over the weekend that is willing to merge with Silicon Valley Bank, according to people familiar with the matter who requested anonymity because the details are confidential.



Mohammed Jahangir Alam, chairman of Crown Cement, handed over a cheque worth Tk 1 crore to Salman F Rahman, chairman of Abahani Limited, at a programme in Dhaka recently for the construction of Sheikh Kamal Krira Complex and its associated sports facilities for nurturing budding talents. Mollah Mohammad Majnu, managing director of the cement company, Md Mizanur Rahman Mollah, additional managing director, and Mohammad Ahasan Ullah, chief financial officer, were present. PHOTO: CROWN CEMENT

Govt's borrowing

FROM PAGE B1

This means the reserves have fallen by about 30 per cent from \$44.14 billion recorded in March last year.

The current level of the reserves is the lowest since the financial year of 2016-17 when it stood at \$33.49 billion.

The ACU, headquartered in Tehran, is an arrangement to settle payments for intra-regional transactions among member countries.

Hussain said the central bank now should give more focus to contain inflation. And containing government borrowing is important to tackle the existing high inflation, he said.

Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, said government borrowing may increase further due to its dismal performance in mobilising revenue.

The government's total revenue collection stood at Tk 26,877 crore in January against a target of Tk 31,500

crore.

Between July and January of this fiscal year, revenue collection fell short of the target by Tk 17,266 crore. The target for mobilising revenue was Tk 190,000 crore for the period.

Disbursement of foreign aid will also decrease this fiscal year, which may create additional pressure on the government, said Mansur, also a former official of the International Monetary Fund (IMF).

"But the government will have to contain its borrowing from the banking sources as per the IMF's suggestion," he said.

The government has set a bank borrowing target of Tk 106,334 crore for 2022-23.

Of the money that the government has taken from the BB in the last eight months, Tk 4,036 crore was used to repay commercial banks.

So, the government's net borrowing from the banking system stood at Tk 46,007 crore as of March 2.

Biz summit

FROM PAGE B1

Uddin said they feel it is the appropriate time for global leaders to consider the vast opportunities presented by Bangladesh.

"This is why we organised this mega event on such a global scale for the first time," he added.

With rising labour costs in China, Bangladesh's current demographic dividend will prove vital for drawing in investors.

"So, Bangladesh can aim to be the next big manufacturing and digital economy hub."

He said Bangladesh is a big market that is perfect for expanding business or relocating industries.

The FBCCI chief asked various government organisations to provide investors with all kinds of support.

He said there are many local companies that have gained the ability to invest abroad.

"So, the summit will act as a platform to help them find potential investment opportunities through networking."

Bangladesh not heading

FROM PAGE B1

and overall debt distress despite higher external borrowing in recent terms, said the International Monetary Fund in February.

Responding to a question related to the foreign policy towards the Russia-Ukraine war, Momen said: Bangladesh always follows the foreign policy that is "friendship to all and malice to none".

"It is helping us. Of course, we condemn the war. We are a peace-loving country. Bangladesh wants a peaceful solution to the war as it affects individuals, families, women and children."

Commerce Minister Tipu Munshi said it was true that the war has inflicted sufferings onto the country.

"Yes, I can understand that people are suffering for the high price, but the government is trying to sort it out."

However, Bangladesh is doing well despite some challenging situations, he said. "For instance, export incomes have increased amid the global economic turmoil."

The commerce minister admitted that the worry remains due to the lingering war.

He is optimistic about continuing the development journey as the country is benefiting from demographic dividend and the business climate is conducive.

The commerce minister spoke about the government's investments in the education sector.

"We have to go for various types of investments in the sector, particularly for the work-related education such as vocational training and technical education. This will help our economy."

Quest questioned whether the upcoming election would be free and fair.

Responding, the foreign minister said the government has organised thousands of elections over the last 14 years.

"All institutions have been developed for a free, fair, transparent and credible election."

"We have put in place transparent ballot boxes and we have an independent election commission with full authority. Therefore, we believe the upcoming election would be free, fair

and credible."

The government established a level-playing field, he said, urging all parties to participate in the elections.

When Quest pointed to people's perception whether the government has turned into authoritarian and anti-democratic, the foreign minister said there are both right and wrong perceptions.

"Unfortunately, in our society, people falsify many things. But in the long-run, people behave very smartly and when they vote, they vote for us. Every class of the population is very happy with the performance of the present government," he claimed.

In a separate session, Prime Minister's Private Industry and Investment Adviser Salman F Rahman, said "We want a real export-based Bangladesh from where software, as well as hardware, will be exported. Already a number of companies are producing hardware."

In order to support the fast-growing economy, the government is building a deep sea port in Matarbari. It will go into operation in 2026.

Everybody is surprised that Bangladesh has made tremendous progress despite not having a deep seaport, Rahman said. "We are increasing the capacity of Chattogram port, Mongla port and Payra port."

"It will be a real game-changer for us when the deep seaport becomes operational."

Speaking about the sources of finances, the adviser said Japan is bankrolling the Matarbari port project.

"We are talking to companies in Singapore, Saudi Arabia, and the UAE for the management of the port."

The government is going to hand over the Chattogram port to private operators for its management.

"In fact, today we are going to sign an MoU with Saudi Arabia," Rahman said. He ruled out the chance of Bangladesh facing a Sri Lanka-like situation.

The Island nation plunged into a serious crisis last year after its foreign currency reserves dried up.

Owing to escalated commodity prices, Bangladesh's reserves have slipped to a six-year low of \$31.5 billion, meaning it has fallen by about

30 per cent from the \$44.14 billion recorded in March last year.

"We are not going to hand over the ownership of the ports. So, there is no worry that our economy will face a situation that the Sri Lankan economy had faced," said Rahman.

The British journalist wondered how Bangladesh would transform itself into a digital nation when he had to spend two hours to travel a distance of two kilometres.

"We are in a growing stage. Our infrastructure development is taking place. The metro rail is already operational and the elevated express way is going to be operational. If you come back after five years, you will just need 20 minutes instead of two hours," Rahman answered.

During her presentation, Tini Sevak, vice-president for audiences and data at CNN International, said a green supply chain would have a greater effect on companies in the coming days.

Bangladesh has already begun its journey to modernise its workplaces following a number of disasters a decade ago. Today, the country has the highest number of green garment factories in the world.

"Technology will be a key factor too for the future growth of companies," Sevak said.

The summit also aims to draw foreign direct investment (FDI).

FDI to Bangladesh rose 13 per cent year-on-year to \$2.89 billion last year. But the inflow has been far lower than the expected level given the country's business volume and potential of the economy.

In recent times, globally FDI was impacted across many industries due to the supply chain disruptions stemming from the pandemic, the war and major layoffs by technology companies, Sevak added.

Rob Bradley, senior vice-president for ad sales and digital commercial strategy at Warner Bros. Discovery for Asia Pacific and Latin America, Md Jashim Uddin, president of the FBCCI, Xiangchen Zhang, deputy director-general of the World Trade Organisation, and Laurent Olmeta, CEO of CMA CGM Asia Pacific Limited, a logistics company, also spoke.

Unilever Consumer Care posts 38.45% higher profit

STAR BUSINESS REPORT

Unilever Consumer Care Limited reported a profit of Tk 73.05 crore in the financial year that ended on December 31, up 38.45 per cent year on year, the company said.

The profit stood at Tk 52.76 crore in 2021.

The board of directors of the multinational company approved the audited financial statements for 2022 on Thursday.

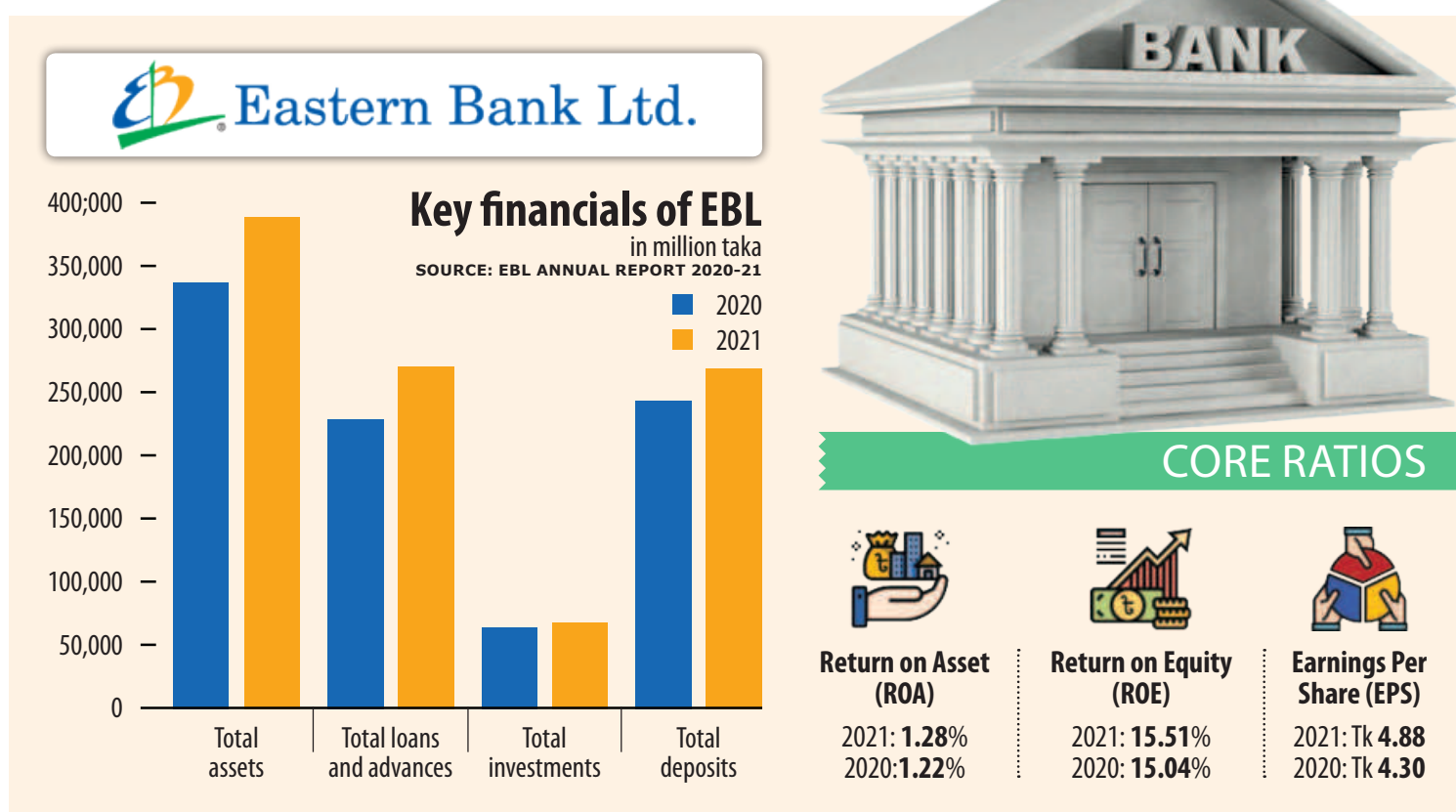
It showed earnings per share rose to Tk 60.64 in 2022 from Tk 43.80 in 2021.

In 2022, the business saw a significant increase in raw and packing material cost that impacted the overall business performance, said Unilever in a disclosure.

While increased cost could not be covered up through price, the EPS showed an improvement mainly due to one-off benefit coming out of reassessment of past liabilities and obligations in light of the current business challenges. There had also been efficiency drives in trade spends and operating expenses, it said.

The net operating cash flow per share of Unilever Consumer Care declined 41.70 per cent to Tk 30.11 last year from Tk 51.65 a year earlier, mainly due to a significant increase in raw and packing material prices along with a significant increase in foreign exchange rate partly offset by the efficiency in trade spends and overhead expenses.

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Ensuring corporate governance, curbing NPL biggest challenges

Says EBL MD and CEO Ali Reza Iftekhar

SOHEL PARVEZ

Ensuring corporate governance and keeping non-performing loans low are the two biggest challenges the banking sector of Bangladesh would face in 2023. This means banks that are sitting on a strong capital base and enough liquidity and can manage bad loans better will fare well.

The observation comes from Ali Reza Iftekhar, managing director and chief executive officer of Eastern Bank Ltd.

"The challenges will surface gradually," he



said during an interview with The Daily Star.

Bad loans are an old trouble for lenders in Bangladesh. And since the relaxed facility regarding the classification of loans ended in 2022, the ratio of default loans is expected to pick up.

Default loans jumped 17 per cent year-on-year to Tk 120,656 crore last year owing to a lack of corporate governance and the ongoing business slowdown.

During the interview, Iftekhar, who has been leading EBL since 2007, also talked

about the economy and performance of the private bank during and after the Covid-19 pandemic and its future.

EBL, which began its journey in 1992, managed to ride out the pandemic-induced economic slowdown, largely unscathed. The bank continued to provide support to its customers digitally and posted growth in deposits, loans and profit.

"Our digital transactions grew 300 per cent at that time," Iftekhar said. "It was a success for us that we could overcome the challenging time well."

EBL also retained growth in the subsequent years. And the noted banker was recognised as a result.

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How do we increase inward remittance?

MAMUN RASHID

It was possibly 2004-05. We were trying to determine the possible inward remittance pie for Bangladesh at a Bangladesh Enterprise Institute discussion. A study in this respect showed the possible pie to be \$20 billion or so by 2012.

Our actual remittance averaged \$2 billion-plus per month during the coronavirus pandemic. We also have heard our finance minister telling us that only a little over 50 per cent of the possible remittance comes through formal channels.

Various relevant studies are also telling us the country's remittance pie could be \$35 billion to \$40 billion a year, which means more than 45 per cent of remittance does not come to the country officially. Maybe, beneficiaries are paid in local currencies and hard currencies are diverted for trade mis-invoicing or capital account transfers.



For a country like Bangladesh that depends on the earnings of non-resident workers for its economic stability, it is certainly a worrying trend when remittance keeps declining year-on-year. This happens despite an increasing number of Bangladeshis leaving for jobs abroad each year.

In 2021, more than 6,17,000 workers left for overseas jobs, bringing in \$22.07 billion in remittances. In 2022, almost a record 11.36 lakh workers went abroad for jobs. Still, the remittance inflow was 1.5 per cent lower than the previous year's \$21.25 billion.

One of the prime reasons for the fall as referred to by the government often is a large amount of money is being transacted through informal channels, popularly known as hundi. Migrants prefer informal channels because they are offered better exchange rates than banks and they are not charged any transaction fees and there is no unnecessary paperwork or bureaucracy.

It is easier and considerably faster for them to send money to their near ones in the villages than through banks. It is also easier for people who have problems with work permits. Studies also revealed that local beneficiaries at times are being offered money in advance by hundi operators against the anticipated remittances.

The 2.5 per cent incentive offered by banks is not found to be sufficient to counter the attractive package provided by hundi folks.

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r-ventures: A Platform for Next Generation Innovators and Tech Entrepreneurs



r-ventures is Robi's flagship investment platform, focusing on digital ideas with a portfolio that includes transformational startups such as Shuttle and MedEasy. r-ventures 1.0 started off in 2017 with encouraging entrepreneurship among Robi's internal employees and the winning ideas were given pre-seed funding to launch their startups. r-ventures 2.0, held in 2019, was conducted nationwide, focusing on idea-stage startups. In 2021, r-ventures became a licensed private equity fund, registered under BSEC, sponsored by RedDot Digital Limited and managed by SBK Tech Ventures.

In 2023, r-ventures 3.0, the third season of r-ventures was launched on occasion of Robi's 25-year anniversary with a commitment of BDT 25 million fund. Over 1200 ideas were received from all over Bangladesh with 40% of these being led by female founders, 120 teams have been shortlisted for initial round and 25 teams were selected for 3 days training and grooming sessions called Ventures Studio. After the successful training and grooming top 25 teams appeared in the semi-finals, 11 teams were shortlisted and fought for funding in final round.

1. ANTT Robotics

Co-founded by Uday Thajid, Nazib Ahmmad and Jayme Brown, ANTT Robotics is a one-stop robotics enterprise solutions with patented technology. Over the past 6 months, ANTT Robotics has partnered with business enterprises and government agencies across 12 countries. Startup Bangladesh declared to invest 50 lakhs TK in ANTT robotics



2. Digi Dokaan Limited

Digi Dokaan Limited is Bangladesh's first Shariah-based BNPL marketplace on a digital platform. Founded by Puja Halader, Sumaiya Binta Hassan, Munjarin Mahub Abony and Mohammad Niaz, Digi Dokaan aims to provide access to credit to bank and non-bank users based on alternative credit scoring. Robi, SBK Tech Ventures and Startup Bangladesh Limited agreed to invest one crore 50 lakhs taka to Digi Dokaan Limited from ecommerce and retail



3. Drishti

Drishti is a much-needed assistive technology solution for the visually impaired. The founders, Md Ridwan Hossain and Md Ibrahim Khalil Ullah, helped develop a solution that allows 155 degree object detection to improve mobility. Robi has announced an investment of 25 lakh TK to Drishti from Assistive Technology



4. Fabric Lagbe Ltd

Fabric Lagbe Ltd is a digital auction-based platform for RMG & Textile Industries in



Bangladesh. The founders, Md Nazmul Islam, Razia Sultana and Yousuf Zaman, are veterans of the textile and software industry and envision bridging the information gap between buyers and sellers. Startup Bangladesh declared to invest 1 crore TK to Fabric Lagbe Ltd from Garments Tech.

5. Hishabplus

Hishabplus is a fintech mobile app for female microentrepreneurs all over Bangladesh. Led by Ramizah Ahmed and Mubashira Khan, Hishabplus has established a network of hubs across 64 districts to reach out to the masses. SBK Tech Ventures, Robi and Kaniz Almas Khan committed 1 Crore 25 Lakh tk in HishabPlus from Fintech



6. Jomma

Jomma is a digital investment marketplace for trading stocks, bonds and mutual funds. The founding team, Nofel Wahid and Golam Farhan Khan, are targeting young professionals to actively participate in the investment marketplace. SBK Tech Ventures and Robi committed 2 crore TK investment funding in Jomma



7. Uqeel

Uqeel is one-stop comprehensive Legal Solutions platform providing all sorts of legal services. The founding team consists of Nadia Chowdhury, Jabeen Ahmed and Sohana Rouf Chowdhury who are working relentlessly to make legal help accessible. SBK Tech Ventures and Kaniz Almas Khan have announced an investment of Tk 1 crore in Uqeel from Legal Tech



8. Your-Campus

Founded by Md Miljer Rahman, Rakibul Hassan Shihab, Shihab Ahmed, MK Elias, Md. Istiak Uddin, Your-Campus is an app-first smart campus solution working to digitize campus life. Their current services include Smart Washing Machines and Vending Machines in campus dorms. Startup Bangladesh declared to invest 50 lakh TK to YOUR-Campus from Consumer Services



9. Mile

Mile is an electric micro-mobility operator which is carbon-neutral on every ride. The founders, Kuraish Bin Quader Chowdhury and Shazid Dastagir, are driven by the principles of accessibility, availability and affordability combined with cleantech for urban commuters.



10. Recycle Jar Ecosystem

Founded by Ziaur Rahman, Sayed Zubaer and Fahmida Hassin, Recycle Jar Ecosystem introduces waste sellers and buyers on a single platform, allowing sellers to monetize their trash. The company is guided by sustainable strategies for waste management and circular economy.



11. Relaxy Limited

Led by Jahnobli Rahman, Naimul Haque Joy and MD Shamiul Islam Shopnil, Relaxy Limited strives to make mental wellbeing simple and accessible. The platform enables users to vent their emotions anonymously and embark on a self-healing journey.

