

star BUSINESS

Female bankers in top positions on the rise

SOHEL PARVEZ

An increasing number of female bankers are gradually securing top positions at banks thanks to their skills, competence and dedication, according to a Bangladesh Bank report released yesterday.

The ratio of women in senior positions at banks was 9.22 per cent in July-December of 2022. It was 7.57 per cent five years ago, said the BB in its Gender Equality Report of Banks and Financial Institutions.

Similarly, the proportion of female bankers at the entry-level and mid-level posts increased, albeit at a slower pace.

The percentage of women as board members rose to 14.22 per cent in July-December of last year from 13.7 per cent five years ago.

The ratio of women in senior positions at banks was 9.22 per cent in July-December of 2022

The ratio of female bankers also increased. For example, at the end of December 2018, women accounted for 15 per cent of the total bankers at 168,192.

Four years down the line, women comprised 16.29 per cent of the workforce in the banking sector at 196,102 in the second half of 2022, according to the central bank report.

Mohammad Ali, managing director of Pubali Bank, said women's participation in the banking sector is increasing owing to job security and a good working environment. "They can take part in the decision-making process. There is no discrimination in salaries and the banking sector has the best job security among all the sectors in Bangladesh. Their participation will increase in the coming days as well."

Ali credited the efficiency and dedication of women for their rise to leadership roles.

"They have a presence in the senior management team and risk management and other important teams of banks," he said.

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Bangladesh is gradually moving towards days when retail customers will not have to worry about carrying cash to make payments for their day-to-day purchases. Already they can pay vendors such as tea-sellers and roadside shops digitally by scanning QR codes on their phones in some parts of the country as the central bank has stepped up efforts to widen the use of technologies to cut reliance on fiat currencies. The photo was taken from the capital's Dilkusha area yesterday.

PHOTO: SK ENAMUL HUQ

BB sets goal for 75% retail transactions digitally by 2027

AKM ZAMIR UDDIN

The central bank has set a goal so that at least 75 per cent of retail transactions are settled through digital technologies by 2027, a move that may give Bangladesh's digital transformation a massive fillip and turn the cash-based economy into cashless.

The Bangladesh Bank will heavily rely on Bangla QR, a uniform digital payment system launched by the central bank in January, to reach its goal of cutting cash-based retail transactions significantly.

On a number of occasions recently, Governor Abdur Rouf Talukder has talked about the BB plans to have at least 75 per cent of transactions settled online within four years.

Md Mezbaul Haque, the spokesperson of the BB, said the central bank has set a roadmap so that at least three-quarters of retail transactions are settled through digital methods by 2027. "And an interoperable QR code will play a vital role in implementing the roadmap."

Digital transactions in Bangladesh were largely non-existent two decades ago. The scenario started to change after the present government swept to power in December 2008.

In the following years, the BB introduced the Bangladesh Automated Clearing House, the Bangladesh Automated Cheque Processing Systems, the Bangladesh Electronic Funds

Transfer Network, the National Payment Switch Bangladesh, the Bangladesh Real Time Gross Settlement, the MFS system, and the agent banking operation, building infrastructure for a digital transformation.

Covid-19 turbocharged the transformation as people were forced to use digital tools to

easily be read by smartphones.

Bangla QR is now helping clients pay bills for goods and services through mobile banking applications, mobile financial service (MFS) providers, and payments service providers (PSPs).

The initiative is cost-effective, secured, and cardless and is

one step further as it enables account-holders of any bank, MFS providers and PSPs to make payments if the facility is available at brick-and-mortar stores.

Around 7,000 Bangla QR code facilities have been set up and the number will reach 20,000 within the next couple of weeks, according to Haque.

Now, clients settle 1,500-2,000 transactions using QR codes every day and the amount of transaction volume stands at Tk 20 lakh to Tk 25 lakh. The central banker hopes that both transactions and volumes will go up substantially in the coming months.

"The cashless transaction will receive a boost in the coming days as the QR code-based system is highly user-friendly," said Haque.

Banks and MFS providers have put in place 7-8 lakh QR code facilities at checkout counters of outlets and service providers and even small retail shops. Now, these QR codes will have to be converted into the Bangla QR code system, according to a central bank instruction.

Syed Mahbubur Rahman, managing director of Mutual Trust Bank, thinks both the central bank and commercial banks should carry out an extensive awareness programme among clients so that they feel comfortable in settling transactions through the digital system.

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communicate, work, purchase and find entertainment. Although the pandemic has petered out, many have habituated to the digital way of doing things.

The BB has now stepped up its efforts to expedite the cashless journey and moved to bring millions of small businesses such as street vendors and lower-income groups under the virtual transaction system. It has initiated a campaign to popularise the QR code in Dhaka city and four other districts – Gazipur, Gopalganj, Natore, and Rangpur – on a pilot basis.

A QR code is a barcode that stores information as a series of pixels in a square grid and can

expected to help promote digital transactions to a large extent in an economy that relies almost entirely on paper currencies and notes to function.

The QR code-based payment is gaining popularity even in remote areas, helped by the relaxation of rules in November 2020 that paved the way for opening personal retail accounts for micro and underprivileged businesses.

Clients usually can pay bills by scanning a QR code using smartphones at major outlets if there is an agreement between the stores and the entity that holds the customer account. Bangla QR has taken the convenience

High costs limit exporters' gain from taka's fall

AHSAN HABIB

The business sector in Bangladesh has been going through severe challenges for the past four years, which, for many, have been the toughest period in decades, with the coronavirus pandemic being the dominant factor in the early part before the Russia-Ukraine war broke out. Today, we are running the third report of a series to present how various sectors fared in the face of the two unprecedented shocks.

Though the depreciation of the local currency against the greenback could have massively benefitted exporters, increase in production costs ate away at the profits.

Financial reports of export-based listed apparel makers show that most of these companies' profits have been on the decline over the past year.

Among the 54 listed export-based apparel makers, 26 logged lower profits year-on-year in financial year 2018-19 whereas 52 companies saw a fall in their income in the pandemic-hit financial year of 2019-20.



Utility charges, wages and raw material prices rose at the same time for which many exporters' profit margins did not get a boost

Faruque Hassan
President of BGMEA

They bounced back in 2020-21, with 29 companies raking in higher profits. In 2021-22 the number of companies whose profits increased was 36.

In the first half of 2022-23, the number of companies who made higher profits dropped to 20.

The government depreciated the currency in an export-friendly manner so they were the beneficiaries, said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

However, utility charges, wages and raw material prices rose at the same time for which many exporters' profit margins did not get a boost.

Had the currency not been depreciated, many companies would have incurred losses and even been forced to shut down their factories, he said.

So, the depreciation saved the day by raising their competitiveness in the global market, Hassan added.

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STOCKS		
DSEX ▼	CASPI ▼	
0.20%	0.06%	
6,201.55	18,298.13	

COMMODITIES		
Gold ▼	Oil ▲	
\$2,001.93 (per ounce)	\$80.67 (per barrel)	

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.02%	▲ 0.42%	▼ 0.18%	▼ 0.37%
59,846.51	27,633.66	3,294.43	3,315.36

Online courier business rebounds on Eid optimism

MAHMUDUL HASAN

A spike in orders during the ongoing Eid shopping season has brought back a bright smile to online courier service providers, a development that is a sigh of relief for the industry that witnessed a downturn in growth over the past one and a half years.

Online shoppers have been showing enthusiasm since the beginning of this month and logistics companies have witnessed an over 80 per cent increase in orders compared to other times of the year, according to industry people.

The impressive performance of small merchants, mainly women, and customers from social media, mainly Facebook, have paved the way for the increase in demand.

Besides, e-commerce and online platforms of different brands are also contributing to the surge in online deliveries.

Most Facebook-based merchants and e-commerce entities and brands have no delivery mechanisms of their own. They outsource the courier service using apps or websites. Besides, anyone can secure home deliveries by

accepting orders online.

Since massive scams involving e-commerce unfolded in mid-2021, the growth of online logistic service providers had stalled. But industry people expect their market to bounce back riding on the growth this Eid.

Online shoppers have been showing enthusiasm since the beginning of this month and logistics companies have witnessed an over 80 per cent increase in orders

"Demand has picked up in the last couple of days, the number has almost doubled," Fahim Ahmed, chief executive officer of Pathao, told The Daily Star.

Pathao Courier, which serves over 50,000 small merchants, are now making over 1 lakh deliveries per day, up from 60,000 deliveries per day a month earlier.

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Jewellers cut gold prices by 2%

STAR BUSINESS REPORT

Jewellers yesterday brought down gold prices because of a cut in rates of pure gold in the local market, according to a press release issued by Bangladesh Jewellers' Association (Bajus).

From today, buyers will be able to purchase 22-carat gold at Tk 97,161 each bhoori (11.664 grammes), down by 2 per cent from the historic high of Tk 99,144.

The last time the Bajus hiked the prices of gold was on April 2. On March 18, gold prices hit Tk 98,794 a bhoori. The increased cost of US dollars has also fuelled gold prices, said Dewan Aminul Islam, vice president of Bajus.

According to commerce ministry documents, almost 80 per cent of the local demand is met by smuggled gold and the rest through recycling. Bajus said gold worth Tk 73,000 crore is smuggled into the country every year.



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Casere 20% DISCOUNT	RAW. NATION 20% DISCOUNT	amber.it 20% DISCOUNT	Domino's Pizza 10% DISCOUNT
Coke 20% DISCOUNT	Amy UP TO 15% DISCOUNT	goodybro 20% DISCOUNT	Yellow 20% DISCOUNT
SPICE 20% DISCOUNT	SaRa 20% DISCOUNT	BULBUL 20% DISCOUNT	TECHLAND 20% DISCOUNT
STREET 10% DISCOUNT	STREET 20% DISCOUNT	STREET 10% DISCOUNT	STREET 20% DISCOUNT
TOUCHWOOD 5% DISCOUNT	shopr. 20% DISCOUNT	PENAL MEAT 10% DISCOUNT	Domy 10% DISCOUNT
AirBrngr 10% DISCOUNT	deer 10% DISCOUNT	deer 10% DISCOUNT	

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Meena Bazar launches 23rd outlet

STAR BUSINESS DESK

Superstore brand Meena Bazar has expanded its business further by inaugurating its 23rd outlet at Almas Point Market near Railgate No. 2 in Narayanganj yesterday.

Kamal Uddin and Tasmim Ara Simi, franchise owners of Meena Bazar, inaugurated the outlet, said a press release.

Fresh vegetables and daily grocery products will be available at affordable prices in the new outlet.

Due to rising commodity prices, this new outlet has ensured market-best prices of daily necessities to maintain a seamless relationship with customers to improve the quality of their livelihoods.

Besides, Meena Bazar delivers all household essentials to the customer's doorstep of Narayanganj and its surrounding areas including Chashara, Jaamtala, Mission Para, Khanpur, Nitaiganj, Baburail, Rasel Park and other locations within 90 minutes.

Ahmed Shoaib Iqbal, head of expansion, brand and online of Meena Bazar, Md Razibul Hasan, general manager for expansion and corporate sales, and Shameem Ahmed, operations head, were also present.

Gold price slides 1% in global market

REUTERS

Gold prices fell as much as 1 per cent to slip below \$2,000 on Monday, after US employment data pointed to a tight labour market, raising expectations of another rate hike by the Federal Reserve in May.

Spot gold was down 0.8 per cent at \$1,992.97 per ounce, as of 0613 GMT. US gold futures slipped 0.9 per cent to \$2,007.80.

Gold slid due to "profit-booking on expectations of Fed rate hikes followed by Friday's strong US job growth report and a steady dollar," Hareesh V, head of commodity research at Geojit Financial Services, said while noting a technical correction in prices.

The dollar index was 0.1 per cent higher, making bullion expensive for overseas buyers.

Friday's data from the US Labor Department showed non-farm payrolls increased by 236,000 jobs in March, versus expectations of 239,000. The data also showed the unemployment rate dipped to 3.5 per cent from 3.6 per cent in the prior month.



Bananas await unloading on the Buriganga river at the capital's Swarighat on arriving from the southern Barishal and Patuakhali districts. The fruit is packed with nutrients such as magnesium and potassium as well as fibres and natural sugars, making it a healthy option for those fasting during the ongoing month of Ramadan. The photo was taken a couple of days ago.

PHOTO: ANISUR RAHMAN

Stocks sustain losing streak

STAR BUSINESS REPORT

Stocks in Bangladesh yesterday continued their decline while turnover stayed below the Tk 500 crore mark as investor participation remains thin.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), lost 12 points, or 0.20 per cent, to close the day at 6,201 points.

The DS30, which consists of blue chip stocks, dropped 0.13 per cent to 2,197 points while the DSES, comprised of shariah-compliant companies, fell 0.26 per cent to 1,344 points.

Of the securities traded, 36 advanced, 88 declined and 187 did not show any price movement.

Market movement was driven by negative changes in the market cap of travel and leisure, paper and printing, and life insurance scrips amid positive changes in the market cap of tannery, food and allied, and jute scrips, according to the daily market review of Shanta Securities.

Turnover, which indicates the market's liquidity, fell by around 6 per cent to Tk 469 crore.

Beach Hatchery saw the highest gain with 9.86 per cent followed by Bangladesh

Welding Electrodes with 9.69 per cent, Shyampur Sugar Mills with 7.27 per cent and Legacy Footwear with 6.89 per cent.

Al Haj Textile Mills topped the list of losers by shedding more than 6.21 per cent while CAPM IBBL Islamic Mutual Fund suffered a substantial loss as well.

Major indices of the Dhaka bourse plunged as risk-averse investors went for booking quick profits on select stocks that achieved price appreciation in the last few sessions.
International Leasing Securities

Apex Footwear was the most traded stock with its shares worth Tk 29 crore being transacted. Aamra Networks, Gemini Sea Food, Orion Infusion, and Genex Infosys also saw significant trade.

Stocks listed with the Chittagong Stock Exchange (CSE) also dropped.

The CASPI, the all-share price index of

the port city bourse, edged down 11 points, or 0.06 per cent, to close at 18,298 points.

Of the issues traded, 22 rose, 37 retreated and 57 did not see any price movement.

However, turnover of the CSE rose 102 per cent to Tk 10 crore.

Major indices of the Dhaka bourse plunged as risk-averse investors went for booking quick profits on select stocks that achieved price appreciation in the last few sessions, International Leasing Securities said in its daily market review.

Besides, jittery investors followed a cautious stance amid volatile trading and sluggish turnover.

The market had witnessed heavy selling pressure from the opening session, causing it to fall gradually, the brokerage added. Investors had liquidated their investments in the IT, paper, travel, and life insurance sectors, which had achieved a short-term upsurge during the last few sessions.

All the sectors witnessed price correction except tannery, which rose 0.4 per cent.

The investors' attention was mostly centred on the food (15.9 per cent), IT (14.4 per cent) and tannery (9.9 per cent) sectors.

Ali Imam elected MIDAS Financing chairman

Parveen Mahmud joins as a director



Ali Imam Majumder



Parveen Mahmud

STAR BUSINESS DESK

Ali Imam Majumder has been elected as chairman of the board of directors of MIDAS Financing Limited, one of the leading non-bank financial institutions of the country, for a two-year term.

Majumder, former cabinet secretary, has been performing as a director of the non-bank financial company since 2012, said a press release.

He joined as a BCS (administration) cadre on February 11, 1977, and served in different important positions during his long career.

Majumder acted as chairman of the board of directors of Sonali Bank Limited and Biman Bangladesh Airlines Limited.

He is an honorary member of Dhaka Club Limited, lifetime honorary member of Dhaka Officers' Club, a member of the executive committee of SHUJAN and a trustee of Transparency International Bangladesh.

He obtained an MSc degree in mathematics from the University of Chittagong.

Meanwhile, Parveen Mahmud has joined MIDAS Financing as a director. Mahmud was nominated as a director at the board of the non-bank financial institution.

Chairperson of the trustee board of RDRS Bangladesh, she was the first woman president of the Institute of Chartered Accountants of Bangladesh, the first female board member and the first female president of the South Asian Federation of Accountants (SAFA), founding chairperson of the CA Female Forum – a women in leadership committee of ICAB – and founding vice-chairperson of the women in leadership committee of SAFA.

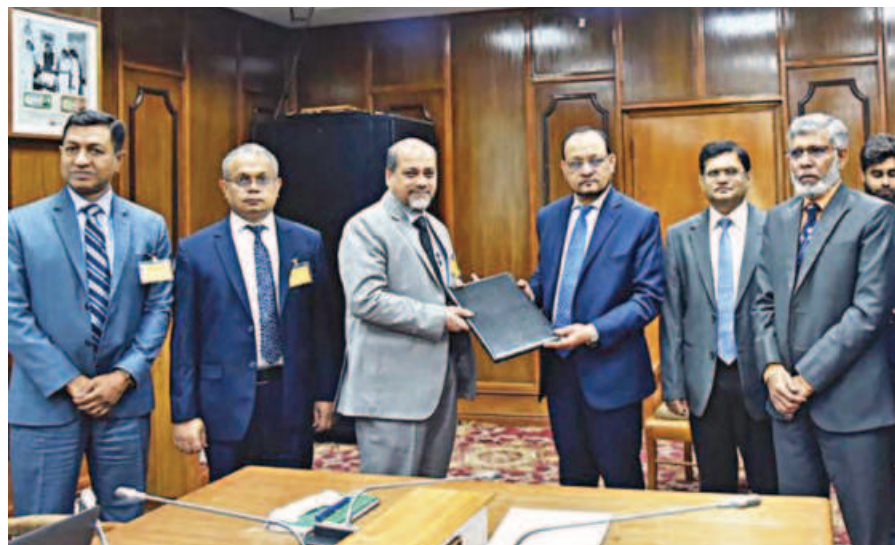
Mahmud started her career with Brac and later served Brac International Board and chaired the Audit and Risk Committee from 2011-2022.

She was founding managing director of the Grameen Telecom Trust. She is the board member of Transparency International Bangladesh, the Centre for Policy Dialogue, the Bishsho Shahitto Kendro, Manusher Jonno Foundation, Palli Karma-Sahayak Foundation, Ghashful, Friendship, HerStory Foundation, CholPori, Moner Bondhu, Heroes for All and Cider International School in Chittagong.

An independent director of Marico Bangladesh, Apex Footwear and Berger Paints Bangladesh, Mahmud was the chairperson of Shasha Denims, UCEP – Bangladesh, MIDAS and Acid Survivors Foundation.

Mahmud was a working group member of the Consultative Group on Social Indicators of UNCTAD/ISAR.

A Melvin Jones Fellow, Mahmud was the president of the Lions Club of Chittagong Parijat Elite, Lions Clubs International, District 315-B4, Bangladesh, and is now serving as a district cabinet treasurer for 2022-2023.



Mohammad Ali, managing director of Pubali Bank, exchanged signed documents of an agreement with Md Abdul Wahab, director of the Covid-19 Emergency and Crisis Response Facility Project of Bangladesh Bank, at the BB headquarters in Dhaka recently over disbursing loans for small and medium enterprises under a refinance scheme of US\$ 300 million of the central bank funded by Asian Infrastructure Investment Bank. Abu Farah Md Nasser, deputy governor of the BB, Mohammad Anisuzzaman, deputy managing director of Pubali Bank, and Md Faisal Ahmed, general manager, were present.

PHOTO: PUBALI BANK



Sohail R K Hussain, managing director of Meghna Bank, exchanged signed documents of an agreement with Md Abdul Wahab, director of the Covid-19 Emergency and Crisis Response Facility Project of Bangladesh Bank, at the BB headquarters in Dhaka recently over disbursing loans for small and medium enterprises under a refinance scheme of US\$ 300 million of the central bank funded by Asian Infrastructure Investment Bank. Abu Farah Md Nasser, deputy governor of the BB, was present.

PHOTO: MEGHNA BANK

Indonesia to propose limited FTA with US

REUTERS, Jakarta

Indonesia will propose a free trade agreement for some minerals shipped to the United States so that companies in the electric vehicle battery supply chain operating in the country can benefit from US tax credits, a senior minister said on Monday.

Washington has issued a new guidance for EV tax credits under the Inflation Reduction Act (IRA), requiring a certain value of battery components to be produced or assembled in North America or a free trade partner. The rules are aimed at weaning the United States off dependence on China for the development of its EV battery supply chain.

Indonesia does not have a free trade agreement with the United States, but its nickel products have increasingly become important in the supply chain.

Saidpur railway

FROM PAGE B4

At same time, the manpower available for the railway was curtailed by compelling employees to go into retirement under the so-called "Golden Handshake" programme.

Also, a number of cases were filed by a vested quarter that stopped recruitment for decades, leading to an acute manpower that has crippled the workshop, he added.

As per information on the BR official website, 44 districts of Bangladesh are connected by about 4,335 kilometres of rail while another 15 districts will be connected soon. In fiscal 2012-13, the country's railway spanned just 2,877 kilometres.

Prime Minister Sheikh Hasina inaugurated work on the "Bangabandhu Sheikh Mujib Railway Bridge Construction" project on November 29, 2020. Additionally, new rail services through

Padma bridge will start on a regular basis soon.

BR now operates 351 passenger trains, of which 104 are intercity while 125 are express mail and commuter trains, 106 are local trains, and 6 are international trains.

On average, 15 coaches are connected with each engine.

During a recent visit to Saidpur railway workshop, this correspondent found that workers were busy with the trial run of 45 newly imported Chinese passenger carriages. They were also found engaged in repairing 100 damaged carriages that will ply different routes ahead of the upcoming Eid-ul-Fitr to facilitate travels amid the holiday season.

Shadeur Rahman, divisional superintendent of the Saidpur railway workshop, said the workers and officers are putting in additional effort to do their tasks ahead of Eid.



M Mahbubur Rahman, chief executive officer of Rupayan City Uttara, and Khaled Ahamed Nur, chief operating officer of Aamra Networks, exchanged signed documents of an agreement on internet services at the former's Uttara office in Dhaka yesterday. HM Faridur Rahman, senior general manager for human resources and administration of the real estate company, and Mahmudun Nabi Khan Chowdhury, general manager (VAS) of Aamra Networks, were present.

PHOTO: RUPAYAN CITY UTTARA



Nur Mohammed, chairman of Jamuna Bank, virtually inaugurated the bank's 10 sub-branches at different districts across the country from its head office in Dhaka yesterday. Kanutosh Majumder, director, and Mirza Elias Uddin Ahmed, managing director, attended the ceremony.

PHOTO: JAMUNA BANK



Sheikh Rakibul Karim, chief executive officer of Guardian Life Insurance, and SM Altaf Hossain, chairman of Zen Health360, exchanged signed documents of an agreement over digital healthcare services at the former's head office in Dhaka recently. Fasihul Mostofa, senior vice-president of the insurer, and Syed Najmus Saquib, managing director of the health-tech company, were present.

PHOTO: GUARDIAN LIFE INSURANCE



Workers bend small sheets of aluminium into pitchers in Zero Point area of Khulna city, getting paid Tk 200 for every maund (around 37 kilogrammes) of metal turned into a product. A worker can end up making four maunds of products a day, earning Tk 800, while an assistant gets paid Tk 250. The photo was taken recently.

PHOTO: HABIBUR RAHMAN

BCIC warehouse project to seek more time, fund

Officials cite difficulties in land acquisition, rising construction costs for delay

SUKANTA HALDER and MD ASADUZ ZAMAN

A project of the Bangladesh Chemical Industries Corporation (BCIC) to build 34 buffer warehouses has once again failed to meet its deadline and become costlier due to slow implementation.

The Tk 1,983 crore project, which aims to facilitate adequate fertiliser supply across the country, has not seen any significant progress following its previous four-year completion schedule, according to planning ministry documents.

As such, the project will today be placed before the Executive Committee of the National Economic Council for its first revision.

If approved, the project cost will spike by Tk 365 crore to Tk 2,348 crore while its completion deadline will be set for June 2025.

Seeking anonymity, a BCIC official said only 29 per cent of the project implementation work has been completed so far with financial progress of 19 per cent.

Project implementation has been delayed as the proposed land to be used

for the warehouses are near railways, rivers and roads while there have been difficulties in obtaining environmental clearance as well.

So, delays in land acquisition and price hikes of construction materials were cited in response to the planning commission's inquiry for reasons behind the slow implementation.

The project was undertaken to increase the productivity of agriculture and thereby improve food security while keeping prices within peoples' purchasing power.

Once implemented, the project would facilitate the safe storage of fertilisers at these warehouses, making it possible to meet the needs of farmers during transitional periods.

Although the project is very essential for the country's food security, it has not seen any significant progress for its inept design, said an official of the planning commission.

Speaking on condition of anonymity, the official said land acquisition is ongoing for at least 10 of the warehouses while two cases have been filed in this regard.

It is not acceptable that long delays in land acquisition are being excused. As per the new land acquisition policy, the work was supposed to be completed sooner.

Khondaker Golam Moazzem
Research director of CPD

Although land acquisition is a big challenge, there is also a lack of urgency of the implementing agency.

"The country will suffer during a crisis if we fail to implement the project on time as fertilisers could be damaged by bad weather," the official added.

Contacted, Project Director Amin Sarker said land acquisition is almost in the final stages.

"That was the biggest challenge for us. If this project is implemented, fertiliser

will reach marginal farmers quickly," he added.

Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue, said the progress the project has made so far is disappointing.

"It is not acceptable that long delays in land acquisition are being excused. As per the new land acquisition policy of the government, the work was supposed to be completed sooner," he added.

Moazzem went on to say that due to the difficulties in land acquisition, it cannot be confirmed that the project will be completed even after the extended deadline.

"In this case, the project may be more expensive. Therefore, the ability of the project implementing agency is in question," he added.

Moazzem then suggested the government could implement the project in two phases.

The first would be to complete work in areas where land has been acquired while the rest would be done in the second phase, he said.

Indian sugar prices climb

REUTERS, Mumbai

Sugar prices in India have climbed more than 6% in two weeks and are likely to rise further as production is set to fall and demand from bulk consumers to strengthen during the peak summer season, industry officials told Reuters.

Higher local prices will improve the margins of sugar makers such as Balrampur Chini, Shree Renuka Sugars, Dalmia Bharat Sugar and Dwarikesh Sugar, helping them make cane payments on time to farmers, dealers said.

But the price rise could add fuel to elevated food inflation and discourage New Delhi from allowing additional sugar exports, supporting global prices, which are already trading near multi-year highs.

Sugar prices are rising mainly due to the downward revision in production in top sugar producing state Maharashtra, said Ashok Jain, president of the Bombay Sugar Merchants Association.

Maharashtra is likely to produce around 10.5 million tonnes in the 2022/23 marketing year ending on September 30, dealers estimate, compared to an earlier forecast of 13.7 million tonnes.

"Prices would rise further in coming months as demand from bulk buyers is expected to rise because of summer season," he said.

Sugar demand rises as consumption of cold drinks and ice cream climbs in India during the summer months that run roughly from April to June. Demand also gets a boost in summer from the wedding season.

Demand has rebounded after being disrupted last year by the Covid-19 pandemic, and could rise to a record 28 million tonnes this marketing year, said one Mumbai-based dealer with a global trading firm.

Saudi maintains supply to Asia despite Opec+ cuts

REUTERS, Singapore

State oil giant Saudi Aramco will supply full crude contract volumes loading in May to several North Asian buyers despite its pledge to cut output by 500,000 barrels per day, several sources with knowledge of the matter said on Monday.

This comes after the Organization of the Petroleum Exporting Countries (OPEC) and allies, known as Opec+, surprised markets last week by announcing an extra output cut of 1.16 million barrels per day (bpd) from May for the rest of the year.

Saudi Aramco's monthly allocation was being keenly watched by investors as an indicator of whether planned output cuts could tighten supplies in Asia, the world's biggest crude import market.

People are wondering whether the additional voluntary cut will actually affect supply, or whether it is designed just to shore up oil prices, said a source at an Asian refiner who declined to be named as he is not authorised to speak to media.

The Opec+ announcement caused Brent and US West Texas Intermediate crude futures, to jump 6 per cent last week, returning to levels last seen in November.

Online courier business

FROM PAGE B1

"Interesting trend is that delivery volume growth is bigger outside Dhaka," he said.

"In the last one and a half years, we have ramped up our expansion and expanded the footprint to upazila levels, set up sorting facilities at every division and increased the number of distribution hubs to 150, enabling us to cater to this growing demand," said Ahmed.

"The demand for logistic service for online deliveries has been great since the beginning of this month," said Biplob Ghosh Rahul, founder and CEO at eCourier Ltd, an on-demand last-mile logistic network offering tech-enabled one-stop delivery solutions.

"There were some trust issues over e-commerce that hampered our business, especially outside Dhaka. But we will overcome this growth," he added.

Last week, eCourier made over 25,000 deliveries per day, an over 80 per cent increase compared to other times.

According to Rahul, the top item that the online logistic service company was catering to during this season was clothing.

"However, the online order for gadget items and beauty, personal care and hygiene products are on the rise in recent times, especially for the

Eid season," he added.

Industry people said over 95 per cent of payments for online deliveries were now made through cash-on-delivery methods since related fraudulence unfolded in the sector, having a significant impact on the government's cashless and digital ambitions.

Rahath Ahmed, co-founder and chief marketing officer, Paperfly, said it now delivers about 25,000 orders, up 30 per cent from other times.

Most of the online orders it caters to are from e-commerce companies such as Daraz, and Shajgoj. It also makes Unilever's online deliveries.

"We could not imagine that the demand for online logistic services would rise that much. It's great that people outside Dhaka resumed online shopping," he added.

"It is because logistic companies have scaled up their operations, shortened the delivery time and are providing quality service," he added.

Fahim Mashroor, CEO of Delivery Tiger, a logistic service provider of Facebook-based small and medium enterprises, said the number of deliveries has increased by up to 60 per cent over the past two to three weeks.

"We have increased our manpower to enable seamless delivery during the shopping season," he said.

Female bankers

FROM PAGE B1

The BB report said the highest number of people are employed at 43 private banks. Collectively, they employ 131,264 persons, of which 16.15 per cent were women. But they accounted for 66 per cent of female bankers in 2022, up from 61 per cent in 2018.

Ali recalled the ratio of women bankers was 4 per cent of the total workforce at Pubali Bank when he joined in 2008. Now women account for 18 per cent of the total headcount.

"When I joined in, there was no woman general manager at our bank. Now we have six women general managers. We have 10 corporate branches in Dhaka and two of them are run by women managers."

Afsana Islam, manager of the Mohammadpur branch of Standard Bank Ltd, said: "Women are managing families properly and running businesses. So, there is no reason why they can't hold senior positions at banks."

"All of my women colleagues and fellow managers are doing well."

Islam, who joined the banking sector in 2010, said the working environment in the banking industry is congenial and female bankers don't face noticeable discrimination when it comes to promotion and salary increases.

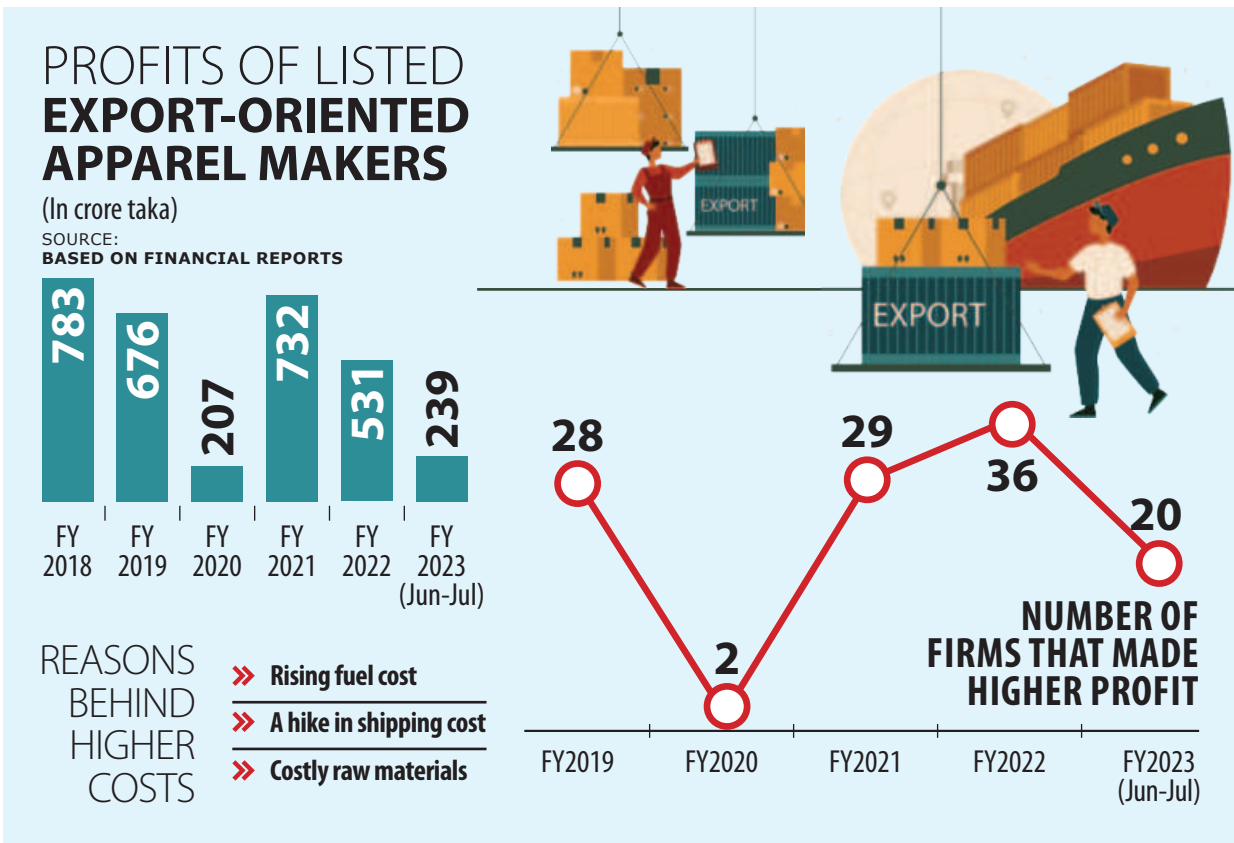
transactions digitally.

"Such an incentive is available in India. We can follow the model to popularise digital transactions."

According to Kamal, when clients make payments digitally to traders for goods and services, it increases transparency, helping the government generate more revenues.

"Offering incentives will also help increase transactions through MFS providers."

In a country of nearly 17 crore people, the number of MFS accounts stood at 19.41 crore in January, up 12 per cent year-on-year. Transactions in the month increased 18.6 per cent to Tk 100,593 crore.



High costs limit exporters' gain

FROM PAGE B1

Last year, the taka was depreciated by 23.5 per cent, shows Bangladesh Bank data.

Energy, labour and raw materials are major ingredients for manufacturers, said Anwar-Ul Alam Chowdhury, president of the Bangladesh Chamber of Industries.

Energy costs rose in Bangladesh and it is now even higher than that in many other countries including neighbouring India, he said.

The government hiked the prices of diesel, kerosene, petrol and octane by up to 51 per cent last August.

Earlier in November 2021, the government had hiked the price of diesel by 23 per cent.

Bangladesh Energy Regulatory Commission raised the price of electricity at the wholesale level by 19.92 per cent in November 2022.

If energy prices rise at this extent, it raises production costs, he said, adding that transportation costs also soared when the fuel price rose.

So, the depreciation benefits are eaten away by the production costs, he added.

The combined profit of export-based apparel makers dropped 42 per cent year-on-year during the July-December period of 2022-23.

In general, the depreciation of the local currency enhanced the competitiveness of the exporter, said Prof Mustafizur Rahman, a distinguished fellow of Centre for Policy Dialogue.

But for exporters whose raw materials need to be imported and domestic value addition is low, the benefit was comparatively low, he said.

As the fuel price and shipping costs increased, so did the production

costs. If the currency had not been depreciated, their competitiveness could have dropped, he said.

Sectors that do not need to import raw materials benefitted like jute and leather industries, he added.

MA Razzaque, research director of Policy Research Institute, echoed Rahman.

He said the depreciation helped to absorb the situation induced for the Russia-Ukraine war.

"In the absence of depreciation, exporters' capability could fall," he said. It is true that the exporters are not getting the maximum benefit for the presence of multiple exchange rates, he said.

The Western countries are witnessing high inflationary pressure, so they are containing their demand which could have an impact on exports of Bangladesh, said Razzaque.

BB sets goal

FROM PAGE B1

Eighteen banks are now using Bangla QR to settle transactions. This means that there are still 44 banks that is yet to join the initiative.

"So, it is important for all of us to speed up the programme," Rahman said.

Bangladesh's payment landscape industry has widened to a large extent in recent years, said Syed Mohammad Kamal, country manager of MasterCard Bangladesh.

A good number of clients have embraced various digital transaction tools such as credit and debit cards and banking apps. The use of both credit and debit cards has been on the rise

for the last couple of years and many people purchase goods and services through e-commerce platforms from the convenience of their homes or offices than in the past.

The total amount of credit card loans held by lenders stood at Tk 2,506 crore in January this year, up 17 per cent year-on-year. Spending through debit cards increased 49 per cent to Tk 36,765 crore, data from the BB showed.

But Kamal says that a portion of people have gone back to the use of cash after the pandemic receded, so the government should think about it.

He recommended the government offer a 5 per cent incentive to both clients and merchants who settle



The price of cars has shot up by 20 to 25 per cent due to the dollar price spike after the taka lost its value by about 25 per cent against the American greenback in the past one year owing to dollar shortages.

PHOTO: STAR/FILE

Oil steadies

REUTERS, London

Oil steadied on Monday, after rising for three straight weeks, as looming supply cuts from Saudi Arabia and other Opec+ producers balanced concern about weakening global growth that may dampen fuel demand.

Crude last week jumped more than 6 per cent, a third weekly gain, after Opec+, the Organization of the Petroleum Exporting Countries (Opec) and allies including Russia, surprised the market with a new round of production cuts starting in May.

Brent crude slipped 3 cents to \$85.09 a barrel by 0816 GMT, while US West Texas Intermediate crude gained 8 cents to \$80.78.

“Those who were bearish are questioning the demand outlook in light of the cuts, whilst clearly those who were bullish are now seeing even a tighter market over the second half,” ING’s head of commodities research Warren Patterson said.

“I am in the latter camp and still see prices moving higher from here as we go through the year.”

Adding to tightness in supply has been a shutdown of Iraq’s northern exports. Iraq’s federal government and the Kurdish Regional Government signed a temporary agreement last week to restart the flows, but as of Thursday they hadn’t resumed.

Oil also drew support from a steeper-than-expected drop in US crude inventories last week, as well as a decline in gasoline and distillate stocks, hinting at rising demand.

Car sales plunge for higher prices, uncertainty

JAGARAN CHAKMA

Sales of passenger cars declined significantly in the first quarter of 2023 owing to higher prices and macroeconomic volatility, industry people said.

Bangladesh Road Transport Authority (BRTA) data showed that 2,867 vehicles were sold between January and March, bringing the monthly average to 955 units, down 31 per cent from a monthly average of 1,391 seen in 2022.

Industry people say the three-month sales average has been the lowest in a decade.

“This year’s sales have been the lowest in the past 10 years. Even during the pandemic, average sales were better although the business was hit significantly by the lockdowns,” said Mohammed Shahidul Islam, secretary general of the Bangladesh Reconditioned Vehicles Importers and Dealers Association.

Sales averaged 1,033 units per month during the peak of the coronavirus pandemic in 2020.

Industry people say customers are not purchasing luxury products due to the hike in prices, the liquidity squeeze and a lack of required models of cars in the market as imports have declined significantly.

The price of cars has shot up by 20 to 25 per cent due to the US dollar price spike after the taka lost its value by about 25 per cent against the American greenback in the past one year owing to dollar shortages.


The dollar crunch has prompted the central bank to tighten rules to curb imports, particularly those related to non-essential and luxury items, with a view to stopping depletion of the foreign currency reserves, which have fallen by 30 per cent in the past one year.

In July last year, the central bank asked banks to take up to 100 per cent of import payments in advance from businesses while opening letters of credit (LCs) for luxury and non-essential items. This means car

importers have to pay a 100 per cent margin to open LCs to bring in vehicles from abroad.

“As a result, imports have declined by at least 60 per cent in the last few months,” said Islam.

Still, some retailers have imported a good number of cars fearing that the dollar might strengthen further against the taka.



This year’s sales have been the lowest in the past 10 years. Even during the pandemic, average sales were better although the business was hit significantly by lockdowns.

Mohammed Shahidul Islam
Secretary general of Barvida

Their fear is not baseless as the factors responsible for the unprecedented fall in the value of the taka such as the Russia-Ukraine war, global supply disruptions, higher commodity prices and the energy crisis are still there.

HNS Group, an importer of reconditioned cars, said its sales dropped around 50 per cent in the last three months. The company usually sells around 130 units per month but it has come down to 60 to 70 units per month now.

Islam, chairman of HNS Group, said banks are not interested in opening LCs due to the dollar crisis even if traders offer a 100 per cent margin.

Sales of Motorsbay Limited have fallen around 40 per cent this year.

Arif Khan Bipu, the proprietor of the reconditioned car importer, said the government has stopped purchasing cars for various development projects.

“It has impacted the car market. Besides, we can’t open LCs. So, the sales of cars have dropped remarkably in the last few months.”

Bipu said the shipment of cars from Japan, a major supplier of reconditioned cars for Bangladesh, is delayed since exporters don’t make shipments before they become sure about the payments.

He suggested the government restructure the duty of hybrid cars and high-capacity microbuses in the next budget in order to reduce prices and help the industry sustain in the current difficult period.

“The government needs to encourage the imports of hybrid cars to reduce energy consumption and protect the environment.”

Bipu suggested the government increase the duty on high-end cars since they are preferred by wealthy people.

Safayet Bin Taiyab, country lead (sales) at Progress Motors Import Ltd, the distributor of Germany’s Audi-branded cars, said sales of both premium and non-premium passenger vehicles have declined as prices have gone up.

According to him, the company used to sell 12 units per month in the past whereas it has slipped to six to seven units now.

However, Taiyab said, there is demand for Audi cars but it can’t supply as per demand since it can’t import the required number of vehicles due to the difficulty in opening LCs.

Chiranjeev Roy, chief operating officer of Suzuki Car Bangladesh, echoed the same.

“We can’t bring in Suzuki cars as per demand,” he said.

Both Islam and Taiyab don’t see any possibility for the situation to improve immediately.

“The situation will improve once the global economy returns to normalcy since Bangladesh’s economy is integrated with the international economy to a significant extent,” said Islam.

“The automobile market may witness a tough situation this year,” said Taiyab.

Asia Insurance’s profit declines 36.5% in 2022

STAR BUSINESS REPORT

Asia Insurance Limited made a profit of Tk 9.84 crore in the financial year of 2022, down nearly 36.5 per cent year-on-year.

This compared to the Tk 15.49 crore profit the insurer made a year earlier.

Thus, the company reported earnings per share of Tk 2.09 for 2022, down from Tk 3.29 a year earlier.

The net asset value per share rose to Tk 26.88 in the last financial year from Tk 26.57 in 2021 while the net operating cash flow per share slipped to Tk 4.73 from Tk 6.83 during the same period.

The board of directors of Asia Insurance has recommended an 11 per cent cash dividend for the year that ended on December 31, according to a filing on the Dhaka Stock Exchange.

Shares of the company closed unchanged at Tk 48.90 on the bourse yesterday.


Debt crunch looms for weaker economies

REUTERS, Washington

A combination of sticky high interest rates and lacklustre global growth could push a number of emerging economies that are facing soaring refinancing needs into debt difficulties next year.

Many weaker economies navigated the fallout from the Covid-19 pandemic and the war in Ukraine with financing aid from multilateral and bilateral lenders.

But repayments on emerging markets’ high-yield international bonds will total \$30 billion in 2024, a steep increase compared to the \$8.4 billion left for the remainder of this year. This adds a layer of complexity to more vulnerable countries if some issuers can’t refinance their debt soon.



Meanwhile countries such as Tunisia, Kenya and Pakistan would need to find alternative sources of financing if the market doesn’t re-open for them.

Thys Louw
Portfolio manager of Ninety One, London

“A more prolonged period without market access would be of more concern for the lower-rated tiers of the emerging markets sovereign universe,” said James Wilson, EM sovereign strategist for ING.

How to mitigate the threat of severe debt distress for more vulnerable emerging economies will be a key topic in Washington, where policy makers and asset managers are meeting for the World Bank/IMF Spring Meetings this week.

Tapping international debt markets hasn’t been a problem across the board for emerging economies. Sovereign issuance has hit a record high so far this year, although that bond sale bonanza has been driven by higher rated sovereigns.

Meanwhile countries such as Tunisia, Kenya and Pakistan “would need to find alternative sources of financing if the market doesn’t re-open for them,” said Thys Louw, portfolio manager for the emerging markets hard currency debt strategy at Ninety One, in London.

Investors are concerned over refinancing risks for Kenya’s \$2 billion bond maturing in June 2024, said Mervelle Paja, EEMEA sovereign credit strategist for BofA.

“The market expects more solutions to be delivered, either the IMF’s resilience and sustainability trust or \$1 billion external issuance or syndication loan,” Paja told Reuters.

Saidpur railway workshop starved of manpower, funds

EAM ASADUZZAMAN, Nilphamari

While the government aims to expand railway services across Bangladesh, the country’s largest locomotive workshop in Saidpur of Nilphamari is still unable to operate at full capacity as it lacks adequate manpower, funds and machinery.

The workshop situated on 110 acres of land mainly repairs carriages fit for broad gauge and metre gauge lines of Bangladesh Railway (BR) while also producing the necessary spare parts and tools.

During the post-independence period, Saidpur railway workshop could repair 900 carriages and construct 20 new ones each year.

But now, an average of 450 carriages are repaired annually as there is an official target to fix just two of them every two days while the construction of new ones has stopped.

Sources at the workshop informed that they needed Tk 27 crore to conduct repairing operations in the current fiscal year. However, BR has released just Tk 6.5 crore so far with only two months to go until FY 2023-24.

Hasanuzzaman, a manager of Saidpur railway workshop, said they are providing services with their workforce at less than 23 per cent of full capacity.

“Instead of the recommended 2,859 employees, just 622 people are working,”

he added.

Besides, most of the 750 heavy machineries used at the workshop have become outdated while their operation has become limited due to the lack of skilled manpower.

Hasanuzzaman went on to say a good number of coaches and wagons come for immediate repairs but sometimes have to wait for days on end due to various issues.

Most of the 750 heavy machineries used at the workshop have become outdated while their operation has become limited due to the lack of skilled manpower.

And because of manpower and fund shortages, general and periodical overhauling of a carriage cannot be carried out as needed every 12 and four years respectively, shortening their longevity.

Rubaitur Rahman, general secretary of the Saidpur railway workshop union, said they suffered a major setback in 1993, when the then government mysteriously decided to stop the construction of new carriages.

READ MORE ON B2



Workers are seen repairing train carriages at the Saidpur railway workshop in Nilphamari. Operations at the facility have become extremely limited for its lack of funds, manpower and machinery.

PHOTO: EAM ASADUZZAMAN