

## Padma Bridge project costs rise by Tk 2,412cr

STAR BUSINESS REPORT

The cost of the Padma Multipurpose Bridge's construction has increased by Tk 2,412 crore while its completion deadline has been extended by one year till June 2024.

The Executive Committee of the National Economic Council (Ecne) yesterday approved the project's third revision with Prime Minister Sheikh Hasina in the chair at the NEC conference room in Dhaka.

The high price of the US dollar, price hike of construction materials for river training and rise of the VAT rate contributed to the overall increase in project cost, said the Planning Commission.

As per the project documents, the main work of Padma Bridge project has already been completed.

"But, now the revision of the project is required to complete the remaining ancillary works and the

High price of dollar, price hike of construction materials and rise of VAT rate contributed to the overall increase in project cost, said the planning commission

payment of contractors' dues," said Mohammad Emdad Ullah Mian, member of the physical infrastructure division of the planning commission.

"So, the project can be approved under this consideration," he said while briefing journalists after the Ecne meeting.

After the third revision, the total cost of the project has been increased to Tk 32,605.52 crore.

Initially, the project was taken at a cost of Tk 10,121 crore in July 2007 and scheduled to be completed by June 2015.

State Minister for Planning Shamsul Alam, Planning Commission members and secretaries concerned were present at the briefing.

According to Planning Minister MA Mannan, a total of 15 projects were placed before yesterday's meeting. Of them, 12 projects were passed, two deferred and one got a time extension.

### REASONS OF EXPORT GROWTH

Duty-free entry benefit to major markets

4% incentive for export to markets except Europe, UK, America and Canada

Increasing contacts with buyers and improved relation

### CHALLENGES

Increased tariff in some markets after LDC graduation in 2026

Duty benefit enjoyed by competitors under Asean and RCEP

### RECOMMENDATIONS

Signing bilateral or regional trade agreements for competitiveness

### KEY MARKETS IN FY23

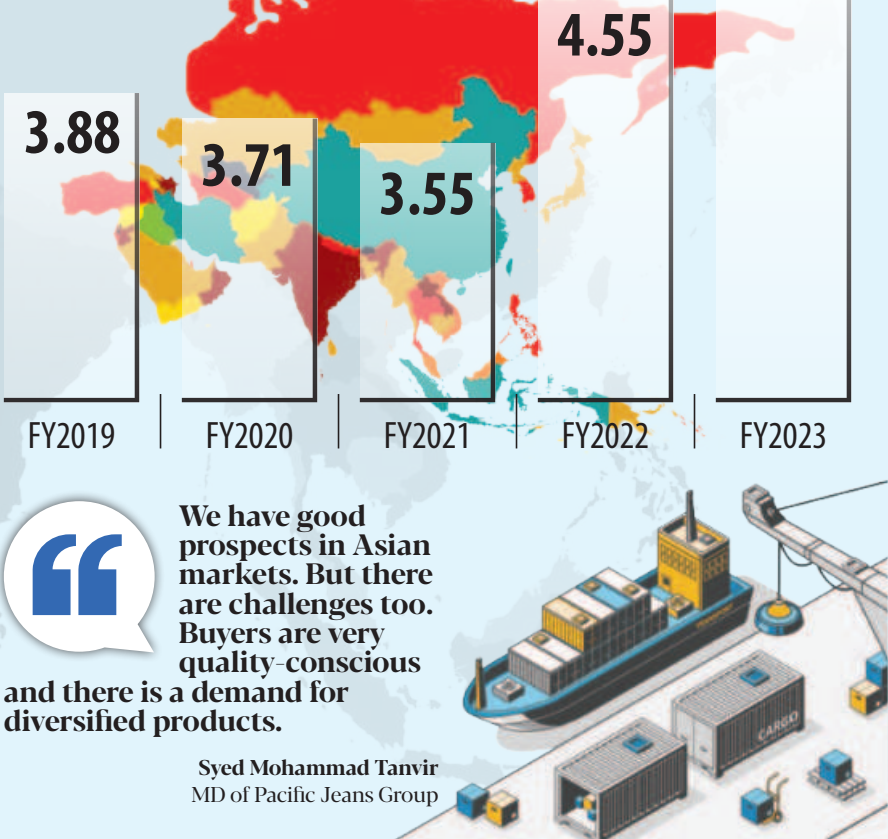
India	\$1,695m
Japan	\$1,458m
Korea	\$524m
China	\$480m
Malaysia	\$300m

### EXPORTS

India	\$1,695m
Japan	\$1,458m
Korea	\$524m
China	\$480m
Malaysia	\$300m

## BANGLADESH'S EXPORT TO ASIAN MARKETS

In billion \$; Jul-Mar period  
SOURCE: EPB



# Export to Asia growing fast

But tough task ahead to tap full potential as duty benefit set to go

SOHEL PARVEZ

Bangladesh's exports to Asian markets are growing steadily thanks to increasing demand from several major markets but the country needs to sign trade pacts and diversify products in a continent where the consumer class is fast expanding.

Between July and March of the current financial year, exporters shipped \$5.26 billion worth of goods to Asian countries, an increase of 16 per cent from \$4.54 billion recorded in the previous year.

The shipment growth in the Asian market doubled the overall 8 per cent expansion seen in national exports in 2022-23, data from the Export Promotion Bureau (EPB) showed.

Thanks to the growth, the share of Asian markets to the country's overall export receipts of around \$42 billion grew to 13 per cent in the current financial year from 12 per cent a year ago.

Exports to the continent started falling in 2019-20 largely owing to the impacts of the coronavirus pandemic. The

disappointing sales continued in the following year as the health crisis dragged before reversing the trend in 2021-22.

Two exporters linked the buoyancy to duty-free entry benefits, the government's 4 per cent incentive aimed at encouraging exports to markets other than Europe and North America, and the increased confidence and business relations between exporters and importers.

"We have good prospects in Asian markets. But there are challenges too. Buyers are very quality-conscious and there is a demand for diversified products," said Syed Mohammad Tanvir, managing director of Pacific

Jeans Group, one of the largest and fastest-growing garment exporters in Bangladesh.

India has emerged as the biggest export market for Bangladesh in Asia, followed by Japan, South Korea, China and Malaysia. The five markets accounted for four-fifths of the export receipts from Asian nations.

Of the destinations, exports grew fast in South Korea, India, Malaysia and Japan in terms of value and percentage. The shipment to Korea surged 78 per cent and to India 70 per cent in the five years to 2022-23.

In Malaysia, export rose 45 per cent since 2018-19 while the

extent of growth was 35 per cent in Japan. The only exception is China where earnings registered a 26 per cent plunge.

Md Fazlul Hoque, a former president of the Bangladesh Knitwear Manufacturers and Exporters Association, thinks Bangladesh's familiarity in the Asian markets is growing.

"Once Indian buyers were not eager to buy from us. There was also a lack of enthusiasm among our exporters too due to payments issue."

"Our understanding with the buyers in those countries is deepening, so the business is expanding. Mutual reliance among us is going up as well," said Hoque, also the managing director of Plummy Fashions Ltd, one of the greenest knitwear makers in the world.

Bangladesh fetched 11 per cent higher export receipts of \$1.69 billion from India in July-March. It was \$1.53 billion in the same period a year ago.

Of the sum, earnings from apparel shipment were \$830 million, up 58 per cent year-

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## bKash returns to profit on higher finance income

AHSAN HABIB

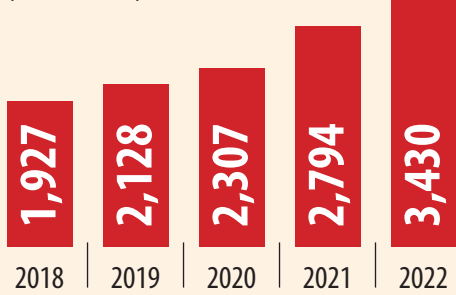
Bangladesh's largest mobile financial service company bKash returned to profit in 2022 on the back of higher net finance income, snapping a three-year losing streak.

Its profit stood at Tk 17.21 crore last year. The MFS provider incurred losses of Tk 123 crore in 2021, Tk 67 crore in 2020, and Tk 63 crore in 2019, according to the financial reports of the company.

bKash provides various financial services through mobile phones to its customers under a payment services provider licence issued by the Bangladesh Bank.

### REVENUE OF BKASH

(In crore taka)



SOURCE: FINANCIAL REPORT

"There are times when technology companies have to invest to improve products, services and technologies. They also need to spend on campaigns. We did the same. So, we incurred losses in those years," said Shamsuddin Haider Dalim, head of corporate communications of bKash.


"Our investors knew that the investment would give them a return. Now, the return has started to flow in."

The Brac Bank subsidiary's revenue grew 22.7 per cent year-on-year to Tk 3,430 crore, according to the financial report. Operating and administrative expenses increased 25 per cent to Tk 733 crore.


The MFS provider's operating loss stood at Tk 76 crore in 2022, down from Tk 159 crore in 2021. It was the surge in the net finance income that helped bKash return to profit.

The net finance income surged 1,646 per cent to Tk 121.41 crore last year. It was Tk 6.95 crore in 2021, Tk 51 crore in 2020 and Tk 82 crore in 2019.


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STOCKS	
DSEX ▲	CASPI ▲
0.08% 6,228.65	0.07% 18,353.70



COMMODITIES	
Gold ▲	Oil ▼
\$2,003.94 (per ounce)	\$80.71 (per barrel)



ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.31% 59,727.01	▲ 0.51% 28,658.83	▼ 0.29% 3,309.56	▲ 0.23% 3,393.33



People all over Bangladesh are rushing to buy fans as temperatures in the country are yet to cool off after recently touching a 58-year high of 40.4 degrees Celsius on Saturday. The picture was taken yesterday from the Hard Metal Gallery market in Khulna city. PHOTO: HABIBUR RAHMAN

## Fan sales soar as heatwave continues

SUKANTA HALDER and MOHAMMAD SUMAN

The demand for electric fans has increased significantly in Bangladesh as the scorching summer heat has become high unbearable in recent times.

However, producers are capitalising on the higher demand by raising their prices, putting more pressure on the general public at a time when the country is facing high inflation due to global economic crises.

The temperature in Dhaka reached a 58-year high of 40.4 degrees Celsius on Saturday, according to the Bangladesh Meteorological Department.

The last time the capital saw such temperatures was in 1965, when 42 degrees Celsius was recorded.

The temperature finally cooled off a bit on Monday, when it hit 38.1 degrees Celsius. Ashik Abdullah, a resident of Dhaka's Kathalbag area, said he had to replace the fan he had been using for the last three years as its performance had declined with age.

"This heatwave is taking such a toll on me that I had to borrow Tk 3,000 to buy a new fan for Tk 3,500," he added.

Ariful Islam, a resident of the Halishahar area in Chattogram, said load-shedding has increased amid the unbearable heat for the past few days and so, he decided to buy a

rechargeable fan.

Industry people say the sale of fans, including ceiling fans, table fans and rechargeable fans, has risen by as much as 20 per cent to 190 per cent depending on the type over the past year.

Meanwhile, sellers say prices have grown by about 20-30 per cent in the past week but buyers claim that it has actually increased by at least 50-60 per cent.

The heatwave is taking such a toll on me that I had to borrow Tk 3,000 to buy a new fan

Ashik Abdullah  
A resident of Kathalbag

Mohammad Farooq, owner of Sohel Electric in Dhaka's Farmgate area, said just two or three fans of different types would be sold each day just 10 days ago.

But now, as many as 10 or 12 fans are sold daily while prices have increased by Tk 100 to Tk 200 depending on the type.

Arif Hussain, manager of Amanat

READ MORE ON B3



## China's economy gathers speed

REUTERS, Beijing

China's economy grew at a faster-than-expected pace in the first quarter, as the end of strict Covid curbs lifted businesses and consumers out of crippling pandemic disruptions, although headwinds from a global slowdown point to a bumpy ride ahead.

More than a year-long sweeping streak of global monetary policy tightening to rein in red-hot inflation has dented world economic growth, leaving many countries including China reliant on domestic demand to spur momentum and raising the challenge for policymakers looking for post-Covid stability.

Gross domestic product grew 4.5 per cent year-on-year in the first three months of the year, data from the National Bureau of Statistics (NBS) showed on Tuesday, faster than the 2.9 per cent in the previous quarter. It beat analyst forecasts for a 4.0 per cent expansion and marked the strongest growth in a year.

Investors have been closely watching first quarter data to assess the strength of the recovery after Beijing abruptly lifted Covid curbs in December and eased a three-year crackdown on tech firms and property. GDP growth last year slumped to one of its worst in nearly half a century due to Covid restrictions.



Staff members work at a booth for lighting products at the China Import and Export Fair in Guangzhou, China on April 15. Gross domestic product of China grew 4.5 per cent year-on-year in the first three months of the year, faster than the 2.9 per cent in the previous quarter.

PHOTO: REUTERS

## Premier Cement posts Tk 30cr profit in Jan-Mar

STAR BUSINESS REPORT

Premier Cement Mills PLC posted a Tk 30.79 crore profit in the January-March quarter of 2022-23, an increase of 1,985 per cent year-on-year.

The profit stood at Tk 1.48 crore in the same quarter of 2021-22.

Thus, the earnings per share were Tk 2.92 in January-March of 2022-23 against Tk 0.14 in the same quarter of 2021-22, showed the unaudited financial statements of the company.

The cement manufacturer's overall profit, however, stood at Tk 4.85 crore in the July-March period of the ongoing financial year, up from Tk 3.90 crore a year ago.

This is because the company's profit rose marginally in the second quarter of FY23 whereas it suffered a loss of Tk 26.68 crore in the first quarter.

The net operating cash flow per share of Premier Cement rose to Tk 5.70 in July-March of FY23 from Tk 4.85 in the same nine-month period of FY22.

The net asset value per share slipped to Tk 66.59 on March 31 this year from Tk 67.13 on June 30 last year. Shares of Premier Cement traded at Tk 46.10 on the Dhaka Stock Exchange yesterday, up 3.60 per cent from a day earlier.

## Stocks rise for fifth day

BSEC increases margin loan benefits for good stocks

STAR BUSINESS REPORT

Stocks continued to rise for a fifth consecutive trading day yesterday as investors' participation increased on sector-specific stocks after the stock market regulator made public its decision to increase lending benefits for good stocks.

The DSEX, the benchmark index of the premier bourse in Bangladesh, went up 5 points, or 0.08 per cent, from that on the day before to close the day at 6,228.

The D30, the blue-chip index, advanced 0.03 per cent to 2,202 and the DSES, the Shariah-compliant index, gained 0.06 per cent to 1,349.

Of the securities to undergo trade, 72 advanced, 44 declined and 195 did not show any price movement.

Turnover, an important indicator of the market, rose 26 per cent to Tk 558 crore.

The government increased margin benefits to buy good stocks which had a positive impact on the market, according to a stock market analyst.

The Bangladesh Securities and Exchange Commission (BSEC) issued a directive yesterday saying stockbrokers would be allowed to give margin loans for share purchase of companies with price earnings ratio of up to 50, whereas the

previous limit was 40.

However, the company has to have a paid-up capital of over Tk 50 crore and must have been an A category stock for three consecutive years.

**The market started off on a flying note during the morning session that prevailed till the closure of the session**

The price-to-earnings (P/E) ratio is the ratio for valuing a company that measures its current share price relative to its per-share earnings, according to Investopedia.

The Dhaka stocks edged to the black following a sharp rise in the past four consecutive sessions as optimistic investors are depositing fresh funds into stocks expecting positive movements ahead after the Eid vacation, said International Leasing Securities in its daily market review.

The market started off on a flying note during the morning session that prevailed till the closure of the session due to investors' presence being buoyant in tannery, paper, jute and life insurance

sectors' stocks.

The investors were active on both sides of the trading fence as some of the investors booked profits of the recent market surge.

Among the sectors, jute increased 2.4 per cent, tannery advanced 1.8 per cent and paper rose 1.1 per cent whereas services dropped 1.1 per cent and IT fell 1.1 per cent.

Investors' attention was mostly centred on food (which accounted for 18.2 per cent of the turnover), IT (13.9 per cent) and travel (11.9 per cent) sectors.

Navana Pharmaceuticals Ltd increased 9.93 per cent followed by National Feed Mills Ltd that rose 9.86 per cent, Midland Bank Ltd up 9.52 per cent and Metro Spinning Ltd gained 9.23 per cent.

Orion Infusion Ltd topped the list of those making losses by shedding more than 6.75 per cent. Intech Ltd, Eastern Housing Ltd and Bangladesh Autocars Limited suffered substantial losses as well.

The Unique Hotel & Resorts PLC was the most-traded stock on the day with shares worth Tk 41 crore changing hands. Gemini Sea Food Limited, Apex Footwear, Eastern Housing Ltd and Genex Infosys also saw high turnovers.

The stocks on Chittagong Stock Exchange also rose slightly.

## StanChart wins Global Finance award

STAR BUSINESS DESK

Standard Chartered recently won a "Best Overall Bank for Cash Management" award of the 2023 World's Best Treasury & Cash Management Systems and Services Awards of monthly English financial magazine Global Finance.

The bank received the award for designing and implementing a variety of specialised, reliable, and scalable cash management solutions and services for clients nationwide, said a press release.

The bank's cash management solutions are centred around principles of technology innovation, process consolidation, convenience, and efficiency.

Its digital banking solution Straight2Bank enables clients to process payments with ease and provides real-time reconciliation reports with transaction details.

Currently, over 80 clients have established a host-to-host (H2H) connectivity with the bank by linking their enterprise resource planning (ERP) platform to S2B.

## Crystal Insurance reelects chairman

STAR BUSINESS DESK

Crystal Insurance Company Limited has reelected its chairman.

The official, Abdullah Al-Mahmud (Mahin), is the managing director of Mahin Group which comprises Hamid Fabrics Limited, Mahin Apparels Limited, Hamid Weaving Mills Limited and Tazrian Weaving Mills Limited, said a press release.

A commercially important person, Abdullah Al-Mahmud is also director of Grameen Solution Limited, an executive committee member of the Bangladesh Association of Publicly Listed Companies, and a member of the executive committee of Bangladesh Insurance Association.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (APR 18, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0 ↑	5.47 ↑
Coarse rice (kg)	Tk 46-Tk 50	-1.04 ↓	3.26 ↑
Loose flour (kg)	Tk 55-Tk 58	-4.24 ↓	54.79 ↑
Lentil (kg)	Tk 95-Tk 100	0	-2.5 ↓
Soybean (litre)	Tk 168-Tk 175	0.88 ↑	12.46 ↑
Potato (kg)	Tk 28-Tk 30	61.11 ↑	61.11 ↑
Onion (kg)	Tk 30-Tk 40	16.67 ↑	27.27 ↑
Egg (4 pcs)	Tk 42-Tk 45	2.35 ↑	29.85 ↑

SOURCE: TCB



Md Murshedul Kabir, managing director of Agrani Bank, cuts a ribbon at its head office in Motijheel, Dhaka recently to inaugurate the add money service from "Agrani Smart Banking" app to Nagad. Wahida Begum, Shyamal Krishna Saha and Rezina Parveen, deputy managing directors of the bank, Md Shahinur Rahman, general manager, and Maruful Islam Jhalak, executive director of Nagad, Mohammad Mahub Sobhan, head of business, and Md Bayzid, deputy general manager, were present.

PHOTO: NAGAD

## US financial institutions hit by deposit flight

REUTERS

Deposits at three financial institutions fell in the first quarter as the industry's biggest crisis in more than a decade prompted a flight of funds, with customers seeking better returns elsewhere.

Deposits at custodian bank State Street Corp and regional bank M&T Bank Corp fell 3 per cent each, while those at Charles Schwab Corp shrank 11 per cent from the prior quarter.

State Street's stock plunged 9.2 per cent to close at \$72.68 on Monday, dragging down peers Northern Trust Corp and Bank of New York Mellon Corp, while shares of brokerage and financial advisory firm Schwab closed

3.9 per cent higher and M&T Bank shares were up nearly 8 per cent.

The results mark a mixed start to a busy week during which a number of regional lenders are expected to report earnings and the impact from the crumbling of two banks last month.

Investors will also be parsing executive commentary for details on the economic impact from the Federal Reserve's quantitative tightening, which has boosted income earned via lending but has, at the same time, fueled uncertainty.

Both Schwab and M&T Bank rode a surge in interest income to beat profit expectations, but State Street fell short after an outflow of client funds hurt its fees.

Credit Suisse analyst Susan Katzke wrote in a research note that State Street's earnings fell short of estimates due to lower-than-expected net interest income. The firm showed heavier outflows from non-interest bearing accounts, Katzke wrote.

There is growing competition for deposits. Apple Inc said on Monday that Apple Card users can earn 4.15 per cent on their savings account, which it said was ten times higher than the national average.

Federal Reserve data released on Friday showed deposits at all commercial banks rose to \$17.43 trillion in the week ended April 5, an increase about evenly shared between the largest 25 banks and the small and mid-sized banks.

**Government of the People's Republic of Bangladesh.**  
**Office of the Executive Engineer,**  
**Barisal PWD. Division, Barishal.**  
**[www.pwd.barisal.gov.bd](http://www.pwd.barisal.gov.bd)**

Memo...৩২৯৫/২ Dated:- 17/04/2023

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the Procurement of following works given below:

SL No	Tender ID	Invitation Reference No.	Name of works	Tender Closing Date & Time
1	818869	PWD/Bar/SBMC/Memo-05/30-01-23/SI-34/22-23	General repair work of different room of back block of Female Student Hostel-I at Sher-E-Bangla Medical College, Barishal	03-05-2023 12:50

This is an online Tender, where only e-Tenders will be accepted in the national e-GP portal and no off line/hard copies will be accepted.

To submit e-Tender, registration in the national e-GP System portal (<http://www.eprocure.gov.bd>) is required. Further information and guidelines are available in the National e-GP System Portal and from e-GP Help Desk (Email: [helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd))

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GID-720

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Ref. no. 12.23.2680.006.07.121.19.3292 Date: 18.04.2023

**e-Tender Notice**

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SL No.	Tender ID	Procurement Method	Name of Works	Tender Publication Date & Time	Tender last selling Date & Time
1	819498	OTM	Procurement of Laboratory equipment	18-Apr-2023 15:30	02-May-2023 16:00

This is an online Tender, where only e-Tender will be accepted in the National e-GP portal and no offline/hard copies will be accepted. Interested Persons/Firms can see details in the website: <http://www.eprocure.gov.bd>

(Dr. S. M. Mahub Ali)  
Director (Admin & Finance)  
BJRI, Dhaka

GID-714



## Sea Pearl's profit surges 800% in Q3

STAR BUSINESS REPORT

Sea Pearl Beach Resort & Spa Limited recorded a 793 per cent year-on-year spike in profit to Tk 37.79 crore in the third quarter of the current financial year.

The hotel operator made a Tk 4.23 crore profit in the identical January-March quarter a year earlier.

So, the earnings per share were Tk 3.13 in January-March of 2022-23 against Tk 0.35 in the same quarter of 2021-22, according to the unaudited financial statements.

"The EPS rose due to an increase in the net profit resulting from an improvement in the coronavirus situation," said the company in a filing on the Dhaka Stock Exchange.

Owing to the receding of the pandemic, the company was able to generate good revenue thanks to the utilisation of rooms, the full-fledged operation of the water park and the cruise ship, and the opening of a non-AC restaurant, it said.

The sharp jump in the profit in the third quarter sent its overall profit to Tk 80.06 crore in the July-March period of FY23, an increase of 520 per cent from Tk 12.92 crore last financial year.



**Women who live in rural areas tend to face barriers in mobile money account ownership more acutely than their urban counterparts. These barriers include lower awareness, lack of a mobile phone, lower digital skills and more restrictive social norms, according to a global report.**

PHOTO: STAR/FILE

## Apple opens first India store in market push

AFP, Mumbai

Apple opened its first retail store in India on Tuesday, underscoring the US tech titan's increasing focus on the South Asian nation as a key sales market and alternative manufacturing hub to China.

Apple CEO Tim Cook personally opened the doors to welcome customers as staff cheered.

Hundreds of admirers of the iPhone giant queued around the store in a swanky shopping mall in the financial capital Mumbai, some of them waiting overnight.

The California-based firm is betting big on the nation of 1.4 billion people -- home to the second-highest number of smartphone users in the world, after China -- with a second store to open in the capital Delhi on Thursday.

The world's biggest company in terms of market value is also expanding its manufacturing footprint in India as it seeks to diversify its supply chain away from a heavy dependence on neighbouring China.

Apple called the stores a "major expansion" of its presence in India in a statement on Monday.

"We're excited to build on our longstanding history," Cook said in the statement.

Apple launched its online store in India in 2020, but had not opened an official physical shop until now due to previous investment rules, since relaxed, requiring foreign retailers to source 30 per cent of raw materials locally, and pandemic delays.

Sales and marketing executive Purav Mehta, 30, camped overnight outside the store ahead of the opening, bringing with him his still-unopened 2013 iPod Touch.

"We've been looking forward to it... for a long time we've been waiting for this," he told AFP.

Stationery dealer Madhav Mimani, 27, travelled about 900 kilometres (560 miles) from Rajasthan for the event.

"I think with Apple manufacturing in India, the prices are going to go down because it's local manufacturing, which makes the iPhones affordable," he said.

## German investor morale falls again

AFP, Frankfurt

German investor confidence unexpectedly fell in April for the second straight month, a survey showed Tuesday, due to lingering fears about the banking sector and concerns about stubbornly high inflation.

The ZEW institute's economic expectations index for Europe's biggest economy dropped 8.9 points to 4.1.

While still in positive territory, the reading was worse than expected, with analysts surveyed by financial data firm FactSet having forecast a slight increase.

The gauge registered its first fall for six months in March as markets were rocked by the failure of three regional US lenders and the enforced takeover of Credit Suisse by rival UBS.

# Gender gap in mobile money use still wide in Bangladesh

Global report says

MAHMUDUL HASAN

The gender gap in mobile money account ownership is 55 per cent in Bangladesh as mobile ownership among men is growing at a faster pace than among women, according to a global report.

Women's account ownership stayed the same at 20 per cent in 2022 compared to a year earlier while men's account ownership increased from 41 per cent to 45 per cent, according to the GSMA's annual report, styled "State of the Industry Report on Mobile Money 2023".

The report is based on data collected from the Global Adoption Survey 2022 and 2022 GSMA Consumer Survey. The Consumer Survey was carried out in nine countries: Bangladesh, Ethiopia, Ghana, India, Indonesia, Kenya, Nigeria, Pakistan and Senegal.

In eight of the nine countries surveyed, the gender gap in mobile money account ownership is greater

among those living in rural areas.

Men, and especially women, who live in rural areas tend to face barriers in mobile money account ownership more acutely than their urban counterparts. These barriers include lower awareness, lack of a mobile phone, lower digital skills and more restrictive social norms.

The report said that while social and humanitarian cash transfers have become increasingly digitalised since the start of the Covid-19 pandemic, many users still do not receive payments via mobile money.

Apart from Bangladesh, fewer than 10 per cent of surveyed mobile money users had received any government-to-person (G2P) payments in the last three months.

Salary payments via mobile money were much more frequent in several countries at the time, including 27 per cent in Kenya, 18 per cent in Bangladesh and 17 per cent in Ghana.

Mobile money awareness is much

**Mobile money awareness is much lower for women than men in some markets, such as Bangladesh, Ethiopia, India and Nigeria, and is an important barrier to be overcome, the report said**

lower for women than men in some markets, such as Bangladesh, Ethiopia, India and Nigeria, and is an important barrier to be overcome, the report said.

Globally, mobile money transactions are spiralling fast and hit \$3.45 billion in 2022, which was over 33 per cent higher than the prediction made in 2021.

The report, funded by the Bill and Melinda Gates Foundation, is published annually by the GSMA.

The total transaction value for mobile money grew from \$1 trillion in 2021 to

around \$1.26 trillion in 2022, the report said.

The report demonstrates that rates of adoption are even quicker than expected with the number of registered mobile money accounts growing by 13 per cent year-on-year from \$1.4 billion in 2021 to \$1.6 billion in 2022.

While it took the industry 17 years to reach the first 800 million customers, it has taken just five years to reach the next 800 million, posting extremely significant growth, according to the report.

However, in many areas worldwide, more work is still needed to help give underserved communities access to safe, secure and affordable financial services with 1.4 billion people worldwide remaining unbanked, it said.

The GSMA is a global organisation unifying the mobile ecosystem to discover, develop and deliver innovation that is foundational to positive business environments and societal change.

## Fan sales soar

FROM PAGE B1

Electronics Store in Chattogram city, said one of the reasons for the increased prices is that import costs have risen compared to last year.

Sohel Rana, business head of Walton Fan, said they received orders for seven lakh ceiling fans this year and that demand in this segment is constantly increasing.

Ceiling fans that cost around Tk 3,000 are seeing the highest demand while rechargeable fans priced at roughly Tk 5,500 are popular as well.

"If you compare our sales in the January-March period of last year with the same period of this year, sales of rechargeable fans have increased by 190 per cent," he added.

Rafiqul Islam Rony, director for marketing and sales at BRB Cable Industries, said sales of ceiling fans have

increased significantly with customers preferring those priced between Tk 3,000 and Tk 3,500.

He went on to say that sales have increased by a minimum of 20 per cent due to the ongoing heatwave.

The months of April, May and June are the peak season for fan sales as temperatures start to rise from March.

Nearly 70 per cent to 80 per cent of a year's sales come about during this period, industry people say.

Compared to last year, this year's fan sales have increased by 25 per cent, said Touhid Zaman, assistant general manager for public relations at PRAN-RFL Group, which retails fans under its brand Vision Electronics.

Industry people estimate that 50 lakh fans are sold in the country each year and currently, 20 to 25 companies make them.



**Industry people say the sales of fans, including ceiling fans, table fans and rechargeable fans, have risen by as much as 20 per cent to 190 per cent depending on the type over the past year.**

PHOTO: HABIBUR RAHMAN

## Export to Asia growing fast

FROM PAGE B1

on-year, data compiled by the Bangladesh Garment Manufacturers and Exporters Association showed. The rest of the earnings came from the sales of non-garment items.

Japan, the second-biggest export destination for Bangladesh, bought \$1.45 billion worth of products from the country in the first three quarters of FY23, an increase of 40 per cent from \$1.04 billion a year ago.

"These are good markets and the duty-free entry has boosted the shipments. India itself is a big market," Hoque said.

According to the entrepreneur, the shipment to China has fallen largely because of the lockdowns the world's second-largest economy had maintained for a longer period to contain Covid-19.

"Trade has not returned to normalcy yet. Besides, global brands usually take delivery from us to China.

Local importers in China are yet to start purchasing from Bangladesh."

Al Mamun Mridha, joint secretary-general of the Bangladesh China Chamber of Commerce & Industry, said rules and regulations governing the export of some products to China have changed, which affected the exports of items such as eel fish.

"We hope exports of the items will increase in the second half of 2023."

Mirdha said there is

no hurdle for garment exports to China. "But the issue is China imports only \$10 billion worth of garments. The market is not big."

Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue, calls the Asian market good for Bangladesh as the country looks to diversify exports.

Chemical, engine parts and agro-based products are exported to some markets in Asia to some extent, he added.

The absence of duty-free market access to all the markets in Asia except for India and China is a challenge, he said.

"Japan and South Korea offer zero-duty entry for some products. But their criteria for local value-addition is high and it is difficult to comply."

Besides, a number of Bangladesh's competitors are part of regional trade agreements such as the ASEAN and the Regional Comprehensive Economic Partnership, and they

get duty benefits while shipping goods to the region.

"We can't take advantage since we are not part of the trade pacts. We have to be either part of the regional trade agreements or sign a bilateral trade agreement with major countries to tap our export potential," Moazzem said.

The duty issue will receive more attention in the coming years as Bangladesh is expected to lose preferential access

to advanced markets after its graduation from the group of least-developed countries in 2026.

For example, Bangladesh may face tariffs of around 8-11 per cent in the Japanese market.

"We will fall behind if we don't have the benefit of duty-free entry," said Pacific Jeans' Tanvir.

"We should sign trade agreements to remain competitive after we become a developing country."

## bKash returns to profit on higher finance income

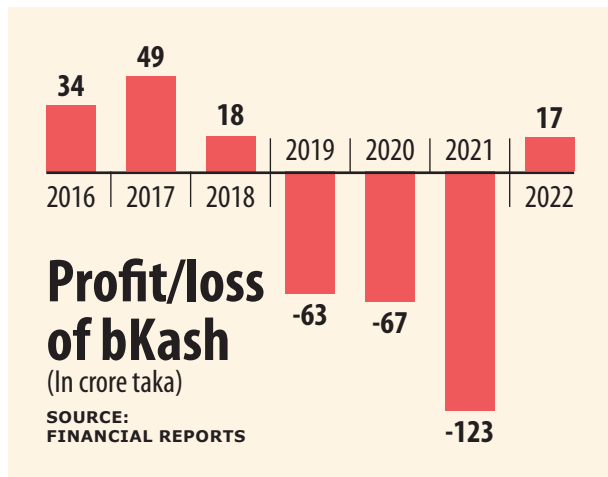
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The finance income includes mainly interest on deposits with banks and non-banks.

In 2022, bKash's e-money circulation soared around 17 per cent to Tk 6,830 crore, up from the previous year's Tk 5,853 crore, according to the financial statements.

The company plans to spend Tk 87.6 crore in capital expenditure in 2023, up from Tk 15.6 crore in the previous year.

Brac Bank holds a 51 per cent stake in bKash while Money in Motion LLC of the US has a 16.45 per cent stake, Alipay Singapore E-Commerce controls a 14.87 per cent stake, the International Finance Corporation holds a 10.36



per cent share, and SVF II BEAM (DE) LLC holds a 7.32 per cent stake.

The Bill & Melinda Gates Foundation, Alipay and SoftBank hold non-voting preference shares.

bKash is the largest MFS operator in Bangladesh with 6.8 crore subscribers.

There are 19.67 crore MFS users in a population of about 17 crore with many owing multiple accounts.

Advertisement

**LG Launches Dual Inverter RAC and Puricare Water Purifier in Bangladesh with New Channel Partner**

LG Electronics, one of the world's leading manufacturers of electronics has partnered with RANGS eMart, a renowned electronics company in the country, for the distribution of these products- LG Dual Inverter RAC and Puricare Water Purifier.

The launch ceremony was held at RANGS eMart Gulshan showroom. The ceremony was attended by Peter Ko, Managing Director of LGESL, Quazi Ashiq Ur Rahman, Executive Director, and Md. Rashedul Islam, Head of Sales & Product from RANGS eMart was also present at the ceremony.

6/23



## Prime Bank clocks Tk 104cr profit in Jan-Mar

STAR BUSINESS REPORT

Prime Bank Ltd registered a Tk 104.17 crore profit in the January-March quarter of 2023.

The private commercial lender made the same profit in the first quarter a year earlier.

Thus, the consolidated earnings per share were Tk 0.92 in January-March this year against Tk 0.92 in the same quarter of 2022, according to the unaudited financial statements.

The consolidated net operating cash flow per share was Tk 1.35 negative in January-March compared to Tk 4.43 negative in the first quarter a year ago.

The NOCFPS increased due to an incremental deposit collection commensurate with asset mobilisation, said Prime Bank in a filing on the Dhaka Stock Exchange.

The consolidated net asset value per share was Tk 29.37 on March 31 this year and Tk 27.36 on March 31 last year.

## Singer makes Tk 11.27cr profit in Jan-Mar

STAR BUSINESS REPORT

Singer Bangladesh Limited made a Tk 11.27 crore profit in the January-March quarter of 2023, up 24.25 per cent from a year earlier.

The profit for the electronic and home appliance company stood at Tk 9.07 crore in the identical quarter of the previous financial year.

The earnings per share were Tk 1.13 in January-March of 2023 against Tk 0.91 in the same quarter of 2022, according to the unaudited financial statements.

The net operating cash flow per share was Tk 10.11 negative in the quarter compared to Tk 13.14 negative in the same three-month period a year ago.

The asset value per share was Tk 31.10 on March 31 this year and Tk 29.97 on December 31 last year.

Turnover decreased to Tk 370 crore compared to the previous year's Tk 390 crore, a de-growth of 4.4 per cent, said Singer in a press release yesterday.

"Overall electronic home appliances industry had declined due to different global and local challenges. Nonetheless, the company persisted in implementing several marketing strategies throughout the quarter to boost sales."



Litchi orchards such as this one in Mashimpur villiage under Dinajpur sadar upazila could see lower production due to bad weather this year. However, agriculture officials say this is normal as harvests vary from year to year.

PHOTO: KONGKON KARMAKER

# Litchi farmers fear lower yields this year

KONGKON KARMAKER and HUMAYUN KABIR TOPU

Litchi farmers are concerned about potentially lower yields this year due to poor weather conditions, which hampered the flowering and budding stages of the fruit.

Litchi is grown on about 26,000 hectares of land all over Bangladesh but the highest cultivation is seen in Dinajpur, Pabna and Jashore, according to the Department of Agricultural Extension (DAE).

Dinajpur is the biggest producing region with roughly 5,000 hectares being used to grow the fruit while Pabna comes in second with 3,100 hectares.

Of the various species of litchi under cultivation, Bedana is the most popular while the Bombay, Madrazi, Hariya and China-1, 2 and 3 varieties also have high demand.

Litchi trees usually start flowering between February and March each year. However, many orchards have yet to enter this stage amid adverse weather, including varying temperatures and early rain.

Besides, flowers that manage to take hold are dropping off the trees before or after entering the budding stage, which begins in April-May, at a higher rate compared to last year.

Ziaur Rahman, a farmer of Dinajpur sadar upazila, said



many trees at his orchard have missed the flowering period for the second time.

Meanwhile, Md Mirazul Islam, who hails from Shahapur village under Ishwardi upazila of Pabna, said half of the flowers that sprouted have since fallen off before turning into buds due to excessive rain during the flowering period.

Islam invested Tk 8 lakh to grow 4,00 litchi trees this year, targeting a business of Tk 12-14 lakh.

"I expected a minimum of 10,000 litchis from each tree but after seeing how many are budding, the yield will be hardly 5,000 per tree," he said, adding that he now worries about making his money back.

Echoing the same, Md Sajahan Ali Badsha, a nationally recognised farmer from the same upazila, said excessive rain during the flowering period means that production may fall by as much as half this year.

Native breeds of the fruit usually arrive in markets in May while the Bombay and hybrid varieties come later in June.

Sheikh Mehedi Hasan, another litchi farmer of Shahpur village, said traders usually buy the trees as a whole by checking how far along they are in the flowering or budding stages.

"Those who bought trees that are flowering may face loss but those who bought them seeing buds might get profit if the weather stays suitable until

harvesting," he added.

Sources at the Pabna DAE say that litchi production has been growing in Pabna for the past few years with most of the fruit coming from Ishwardi upazila.

Mita Sarkar, agriculture officer of Ishwardi upazila, admitted that it is normal for production to fall.

"As per the characteristics of litchi, all the trees do not produce same production every year. If excessive new leaves grow, then fruit production falls," Sarkar said.

About 80 per cent of the litchi trees gave bumper production last year and so, a decline in production is possible this year, she added.

Sarkar went on to say that while bad weather played a part in reducing production, the fact that farmers grow companion crops that require excessive water when litchi trees are flowering is another reason.

A total of 3,100 hectares of land have been brought under litchi cultivation in Ishwardi upazila, according to the local agriculture office.

"But despite potentially poor production, farmers and traders could benefit from higher prices this year," she said.

Litchi farmers in the district sold Tk 500 crore worth of the fruit last year. As such, the same amount of business is expected this time around, she added.

## Banking sector at a crossroads

DH CHOUDHURY

Recent bank failures in the US and Switzerland have raised many questions regarding bankers' role in the financial world. Questions are being asked: Can societies manage without banks even if their failure causes so much misery?

This is a legitimate concern. This perception is bankers' own creation. Bankers simply digressed from their core function, which is intermediation.

Intermediation, in the banking context, is an acquired skill whereby bankers manage funds to pay interest to depositors and to earn a little higher return through investments. Bankers execute this job through a process called "maturity transformation". Bankers always try to earn moderate but definite income through this method.

Looking into the investment activities of three recently failed banks, one can see how the market condition was changing while bankers were complacent. Silicon Valley Bank, in particular, relied heavily on government bonds investment, turning a blind eye to the prevailing fair value of the long-term bonds they held in their portfolio.

Credit Suisse digressed from conservative banking norms and invested heavily in private funds over which the bank had no oversight control.

While the western world suffers from overbearing management decisions and market risk, delinquencies in Bangladesh are mostly manmade. It is widely believed that the misuse especially of two financial products had largely damaged our banking sector.

In early 2000, there was a dearth of short-term liquidity, especially in the garment sector of Bangladesh. Therefore,

bankers improvised factoring of receivables through local bill discounting. Simply defined, factoring is discounting of invoices/receivables for cash liquidity. This product did well at the beginning.

Soon, bankers themselves transformed this instrument into a fee-earning business. More bankers joined the profit mania.

Soon the product transformed into an accommodation bill.

Conceptually, an accommodation bill is signing and accepting bills of exchange by two separate entities without any underlying value consideration. Bankers simulated this for a quick profit, while the scammers used it with ulterior motives.

Soon a well-designed financial instrument transformed into a deceptive tool. To stop this mischief from further damaging our banking sector, the Bangladesh Bank intervened.

Another area of concern has been import financing through loans against trust receipts (LTRs). In a working paper, the Bangladesh Bank said the major finding is that the LTR facility was misused. It was subject to malpractices by both banks and clients. A huge amount of LTR loans was stacked up and converted into term loans. A part of term loans was classified as non-performing loans which is a major concern for the central bank.

The current heaps of bad loans in the banking sector are largely the result of two misused facilities: accommodation bills and LTRs.

In a recent review, Bloomberg estimated \$620 billion in unrealised losses in the US banking system. Experts believe that if this unrealised loss is adjusted with the shareholders' equity of respective banks, roughly 100 US banks will go burst.

Unrealised losses in Bangladesh's banking sector are never estimated. However, these potential losses are concealed in rescheduled loans, courts' injunctions on related loans, failed alternative dispute resolution (ADR), and provision shortfall.

The write-off facility is very often misused in our banking sector, yet it is a necessary evil.

During every crisis, central banks either rescue a bank or let it collapse. This is the horns of a dilemma for the central banks. Rescue causes complacency and headline induces a chance of systemic risk. On the other hand, depositors stand at a crossroads not sure of the next path to follow.

The author is an independent director of Bank Asia Limited



## India's sugar output drops

REUTERS, Mumbai

Indian mills produced 31.1 million tonnes of sugar since the current season began on October 1, a fall of 5.4 per cent year on year, as many mills closed early due to limited availability of sugar cane, a leading trade body said on Tuesday.

Lower sugar output from India, the world's biggest producer of the sweetener, will leave hardly any surplus for additional exports during the current 2022/23 season.

Out of 532 mills that started operations in the current season, 400 mills closed operations, including all mills from the top producing western state of Maharashtra, the Indian Sugar Mills Association said in a statement.

Maharashtra's production fell to 10.5 million tonnes from 13.7 million tonnes produced a year ago, the association said.

Reuters was the first to report in December on the likely drop in production.

"The production drop in Maharashtra pulled down the country's total production. There is no scope for additional exports," said a Mumbai-based dealer with a global trade house.

The government allowed mills to export only 6.1 million tonnes of sugar in the 2022/23 season, but Prime Minister Narendra Modi's administration was expected to allow a second tranche of shipments.

India's absence from the market could lift global sugar prices, which were trading near their highest level in more than a decade, and allow rivals Brazil and Thailand to increase shipments.



Roadside vendors sell sugarcane stalks at a city market on the eve of a Hindu festival in Bangalore, India. Many sugar mills closed early due to limited availability of sugarcane, while lower sugar output from India, the world's biggest producer of the sweetener, will leave hardly any surplus for additional exports during the current 2022/23 season.

PHOTO: AFP/FILE

## Reckitt Benckiser's profit jumps 67%

STAR BUSINESS REPORT

Reckitt Benckiser (Bangladesh) PLC posted a 67.30 per cent year-on-year increase in profit to Tk 15.21 crore in the January-March quarter of 2023.

The local operations of the multinational company made a profit of Tk 9.09 crore in the same period a year ago.

Thus, the earnings per share rose to Tk 32.18 in January-March of 2023 from Tk 19.25 in the same quarter in 2022, according to the unaudited financial statements.

In a filing on the Dhaka Stock Exchange, Reckitt Benckiser said though the cost of goods sold increased compared to the same period last year, the operating expenses were reduced significantly due to lower marketing expenses. This has created a positive impact on the EPS.