



Which division saw the highest inflow of remittances?

STAR BUSINESS REPORT

Remittance is one of the main pillars of Bangladesh's economy with the country's migrant workers having sent \$16 billion back home in the first nine months of the current fiscal year 2022-23. But any guess which division saw the highest inflow of remittance?

It was Dhaka, the country's main economic centre.

The division received \$7.6 billion, or 48 per cent, of the total remittances sent by Bangladeshi migrant workers living abroad in first three quarters of the ongoing fiscal year, data by Bangladesh Bank showed.

Chattogram, a southeast division having the country's largest seaport, received \$4.3 billion during the period. The amount was 27 per cent of the total

The country's migrant workers sent \$16 billion back home in the first nine months of the current fiscal year of 2022-23

remittance at the time, according to central bank data.

And Sylhet, which has a good number of citizens living in the United Kingdom, is the third biggest destination for remittance sent by Bangladeshi migrants abroad.

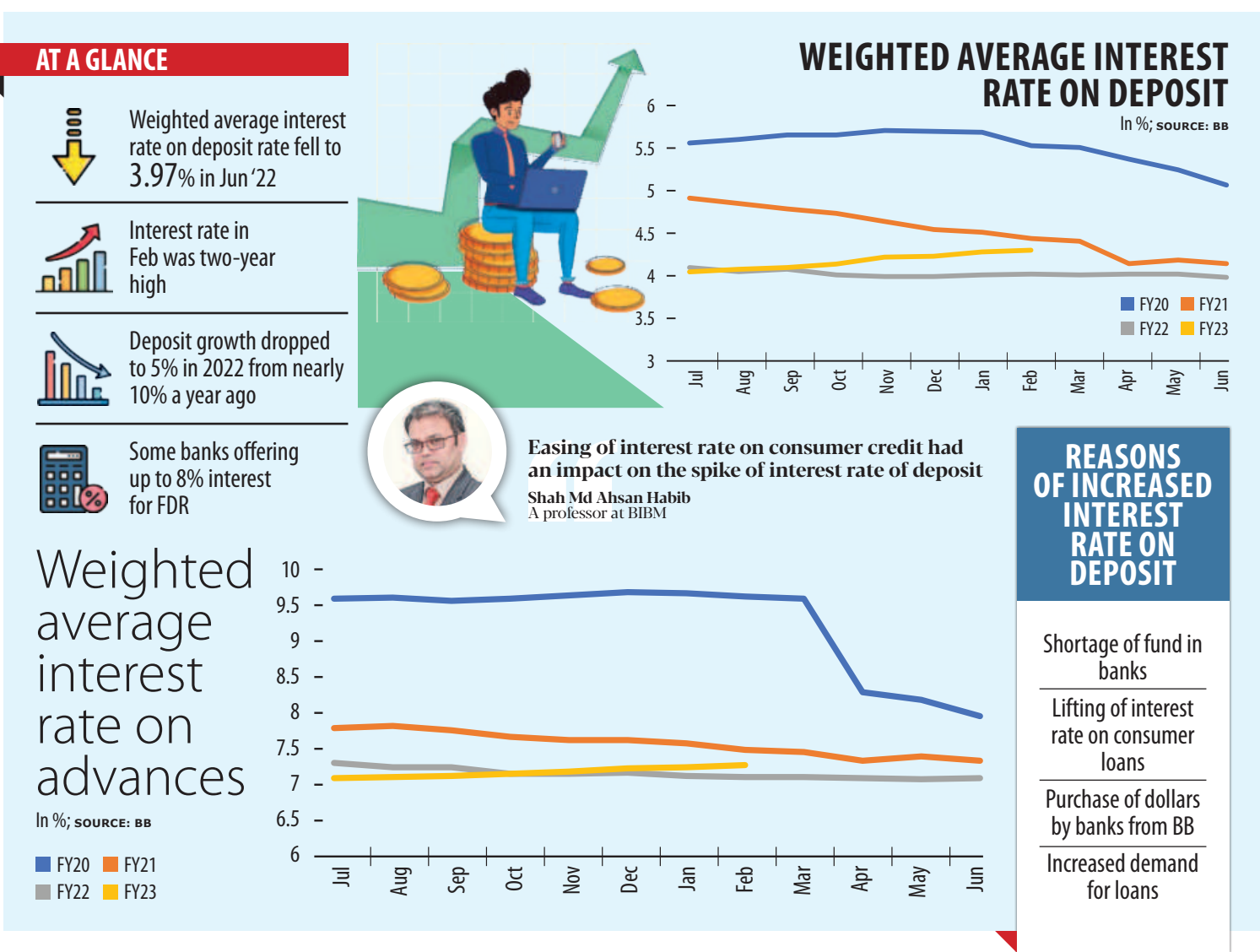
The northeast division got 11 per cent, or \$1.79 billion, of the total remittance in the July-March period of the fiscal year.

The remaining five divisions -- Barishal, Khulna, Mymensingh, Rajshahi and Rangpur -- accounted for 14 per cent of the total remittances.

Barishal, Rangpur and Mymensingh had 2 per cent of the total remittances each while Khulna and Rajshahi had 4 per cent each.

And the share of remittance recipient districts has been remaining almost the same for the last couple of years.

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Good news for savers as banks hike deposit rate

Weighted average rate highest in nearly two years

SOHEL PARVEZ

Banks in Bangladesh are raising the interest rate on deposits to pull funds with a view to tackling the liquidity shortage and meeting a higher demand for loans.

It comes as good news for savers, who saw the real return on their deposits turn negative as the interest rate continues to remain below the inflation rate.

Data from the Bangladesh Bank showed that banks in February offered as high as 8 per cent for fixed deposits to attract savers, particularly from public institutions.

The weighted average interest rate on deposits stood at 4.31 per cent in February, the highest in nearly two years. In January, it was 4.29 per cent.

It fell to 3.97 per cent in June last year from a peak of 5.71 per cent recorded in November 2019.

The upward trend of the deposit rate comes at a time when banks are suffering from a liquidity shortage resulting from multiple factors, including the purchase of US dollars from the central bank in exchange for the taka to facilitate imports, withdrawal of funds by a section of savers amid allegation of irregularities in some Islamic banks, and a lack of propensity to save as inflation has exceeded the deposit rate for nearly a year.

Banks attracted 5 per cent higher deposits at Tk 15,88,010 crore in 2022. It was Tk 15,12,472 crore a year ago. In 2021, the overall deposit growth was nearly 10 per cent, according to central bank data.

A good amount of money will remain outside the banking system until we raise the interest rate on deposits to match it with the inflation rate.

Syed Mahbubur Rahman
MD of Mutual Trust Bank

Amid the slowing deposit growth and the fund shortage, a number of banks were compelled to become aggressive and they have been offering a higher rate on deposits over the last several months, said bankers.

The easing of an interest rate cap on consumer loans by the BB gave leeway to banks to raise the deposit rate.

In January, the central bank relaxed the lending rate cap for consumer loans, allowing banks to charge up to 12 per cent in interest rates on such credit products from 9 per cent, a rate that was maintained since April 2020.

"Most banks have already increased their interest rates on both loans and deposits slightly following the relaxations of interest rate cap, particularly for consumer loans, and the complete removal of the deposit floor rate by the central bank in its latest monetary policy statement," said Adil Chowdhury, president and managing director of Bank Asia Ltd.

BB data showed that the weighted average interest rate on loans edged up gradually. It reached 7.27 per cent in February, up from 7.24 per cent in January.

In July last year, the weighted average interest rate on advances was 7.09 per cent.

Syed Mahbubur Rahman, managing director of Mutual Trust Bank, says some banks face an asset-liability mismatch in the wake of a spike in forced loans after some clients failed to make payments against letters of credit on maturity.

"Besides, banks have bought foreign currencies from the central bank in exchange for a good amount of the taka to clear import bills."

The central bank injected around \$9.50 billion into the banking sector between July 1 and February 9. A record \$7.62 billion was supplied during the entire financial year of 2021-22 after import bills rocketed owing to escalated prices of commodities in the global markets.

"A lot of money has gone into the vault of the Bangladesh Bank from us as we have had to purchase foreign currencies," said Md Abdus Salam Azad, managing director of state-run Janata Bank, adding that the demand for loans from industries has picked up as well.

"Deposits are under stress. That's why banks have become aggressive in collecting deposits," said MTB's Rahman.

In Bangladesh, the real interest rate has become negative as inflation is much higher than the rates banks are offering to savers.

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A depressing Eid for stock investors, brokers

AHSAN HABIB

This year's Eid-ul-Fitr has turned out to be yet another depressing festival for many stock investors as few could sell shares to meet the vacation's shopping expenses amidst the presence of floor price.

One of them, Kabir Hossain, a retired banker, had repeatedly tried to make a sale in the market which has been predominantly witnessing a bear run for at least a year centring the global economic downturns.

He now meets his family's living expenses from dividends of savings certificates and fixed deposit receipts (FDR) while gains from stock market investments also meet a portion of his needs.

Due to the floor price, the turnover of Dhaka Stock Exchange remained less than Tk 500 crore for at least the past six months

"After the launch of the floor price, I was not able to get any funds from the market. The stock market business is now almost barren," he told The Daily Star.

The Bangladesh Securities and Exchange Commission at the end of July last year set the floor price of every stock to halt the free fall of the market indices amid global economic uncertainties.

However, in last December, the stockmarket watchdog lifted the floor price for 169 companies in order to bring back some vibrancy.

In March, the regulator reintroduced the floor price for the 169 companies. Since this is effectively preventing prices of all stocks from going down from a certain point, investors are not interested in making purchases.

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STOCKS		WEEK-ON WEEK
DSEX	CASPI	
0.22% 6,228.65	0.12% 18,353.70	

COMMODITIES	
Gold	Oil
\$1,998.00 (per ounce)	\$81.76 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
0.14% 59,653.54	0.18% 28,657.57	0.32% 3,313.41	0.09% 3,367.03

Furniture sales surprisingly low this Eid

JAGARAN CHAKMA

Bucking the trend of previous years, home furniture sales have slowed down in the lead up to Eid-ul-Fitr as people are prioritising essential expenses amid the ongoing inflationary pressure, according to industry people.

Even the attractive discounts and various marketing strategies deployed by furniture producers and traders have failed to increase sales during Ramadan this year, they said.

"Home furniture sales fell by almost 50 per cent year on year this Ramadan," said Selim H Rahman, chairman and managing director of Hatil Furniture, a leading furniture brand in Bangladesh.

Customers are preferring to buy clothes, food and other essentials rather than luxuries such as furniture as the inflationary pressure stemming from global economic crises has strained their purchasing power.

So, neither discounts or marketing strategies have helped register higher sales ahead of Eid, he added.

Previously, Hatil would sell at least Tk 3 crore worth of furniture throughout Ramadan but the company saw sales of just Tk 1.5 crore this time around.

Rahman then said people usually buy new furniture ahead of Eid in order to refurbish their homes on the occasion, but this trend is largely absent this year as inflation has

eroded the income of middle-class people.

Middle-income groups are the biggest consumers of most products and so, the market becomes slow when they come under financial pressure.

"Upper-class people buy furniture too but their numbers are insignificant in our country," he added.

Home furniture sales fell by almost 50 per cent year-on-year this Ramadan.

Selim H Rahman
Chairman and MD
Hatil Furniture

Rahman went on to say that their exports have also fallen due to the global economic crisis amid the ongoing Russia-Ukraine war.

Nevertheless, the furniture industry in Bangladesh has achieved significant growth over the past decade, he said.

Industry insiders say the combined annual sale of home and office furniture by both organised and unorganised sectors has remained stagnant at around Tk 25,000 crore since 2020.

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Home furniture sales this Ramadan were almost less than half of previous years as inflationary pressure continued to constrain the purchasing power of middle-income people. Even the few customers that did turn up at showrooms came in search of low-priced products, traders say. The photo was taken from a showroom in Chattogram city recently.

PHOTO: RAJIB RAIHAN



With the Eid holiday now underway, Kuakata beach in Patuakhali will be bustling with tourists in the days to come. As such, local businesspeople have taken various measures to welcome travellers.

PHOTO: SOHRAB HOSSAIN

Kuakata eyeing huge turnout this Eid

But hotels, resorts in Sreemangal see low bookings

SOHRAB HOSSAIN and
MINTU DESHWARA

While tourism related businesses in Kuakata of Patuakhali are expecting an onrush of travellers amid the ongoing Eid holiday, those in Sreemangal upazila of Moulvibazar have been left disappointed by the low number of advance bookings.

Hotels, resorts, restaurants and even roadside shops in the seaside town have prepared colourful decorations in anticipation of holiday-goers and although those in Sreemangal took similar measures, their bookings are being cancelled for various reasons.

This is mainly due to the fact that people can reach Kuakata faster than ever thanks to the opening of Padma Bridge. However, Sreemangal has gradually lost its lustre due to the lack of new facilities at its tourist centres, many of which have



PHOTO: MINTU DESHWARA

Many tourism establishments in Moulvibazar have been left disappointed by the low number of advance bookings.

fallen into disrepair ever since the downturn caused by Covid-19.

Expecting the arrival of at least two lakh people amid the Eid-ul-Fitr celebrations, the local administration of Kuakata has taken various measures to ensure

a safe and enjoyable journey for travellers.

For example, it has been decided that no shops or parking lots would be allowed within a half kilometre radius of the Zero Point area of the beach, which

attracts tourists for its panoramic view of the sunrise and sunset.

Russel Khan, managing director of Khan Palace, said most of their rooms have already been booked ahead of Eid-ul-Fitr.

Motaleb Sharif, general secretary of the Kuakata Hotel-Motel Owners Association, said they previously did not need to make specific preparations for Eid travellers.

"But we have been struggling with the onrush of tourists ever since the opening of Padma Bridge, and so we have to prepare now," he added.

On the other hand, hoteliers in Sreemangal say that while 90 per cent of their rooms are usually booked in advance of the holiday, just 35 per cent have been booked so far.

Shamsul Haque, general secretary of the Sreemangal Tourism Service Organisation, said usually 80 per cent of the rooms are booked for Eid within

the first 15 days of Ramadan.

But this year, only about 40 per cent of bookings have been made, of which 10 per cent were cancelled.

"This is probably because people do not dare go out in this scorching heat," he added while also citing the lack of new facilities as a root cause.

Misbah Uddin, director of Hotel Green View, said many of them took bank loans to invest in tourism.

"But if travellers continue to lose interest at this rate, we don't know what will happen in the future," he added.

Misbah Uddin then suggested the authorities concerned take necessary initiatives for the industry, such as developing tourism centres, in order to prevent it from stagnating.

"Otherwise, hundreds of traders will be affected and the government will lose revenue," he said.

US seeks 'constructive, fair' economic ties with China

Says Treasury Secretary Yellen

AFP, Washington

The United States seeks a "constructive and fair economic relationship" with China, even as Washington holds firm in defending the country's national security, Treasury Secretary Janet Yellen said in prepared remarks Thursday.

Her speech, to be delivered at a school of Johns Hopkins University in Washington, comes as tensions remain elevated between the world's two biggest economies.

China's new Foreign Minister Qin Gang last month accused Washington of stoking tensions between both powers, warning of "conflict and confrontation." But Yellen said the United States remains firm in its conviction to defend its values and national security.

"Within that context, we seek a constructive and fair economic relationship with China," she added in her remarks.

She also noted the need for both countries to be able to "frankly discuss difficult issues" and work together when possible.

Yellen also noted the need for both countries to be able to "frankly discuss difficult issues" and work together when possible

Stressing that "healthy economic competition" is only sustainable with fairness, she said: "We will continue to partner with our allies to respond to China's unfair economic practices." Yellen noted that China has expanded support for its state-owned enterprises and domestic private firms, to "dominate foreign competitors." Meanwhile, even as some of America's national security actions may have economic impacts, Yellen maintained that the moves are "motivated solely by our concerns about our security and values." "Our goal is not to use these tools to gain competitive economic advantage," she added.

Yellen also pushed back on the notion that US national security actions are aimed at stifling China's economic and technological modernization.

Chinese President Xi Jinping previously slammed the United States for leading an effort to contain and suppress China.

Beijing's technology ambitions have been hit with restrictions by the United States and its allies, and Chinese authorities have doubled down on the need to move away from imports for sectors seen as key to national security, such as semiconductors.

Despite both parties' disagreements, Yellen stressed Wednesday the need to cooperate on urgent global challenges as well.

Washington and Beijing have clashed in recent years over trade, human rights and other issues, and relations soured even more this year when the United States shot down a Chinese balloon it said was used for surveillance -- a claim China strongly denied.

US lending slows on banking concerns

AFP, Washington

Lending declined in many parts of the United States over recent weeks, the Federal Reserve announced Wednesday, amid financial sector troubles unleashed by the rapid collapse of Silicon Valley Bank (SVB).

"Lending volumes and loan demand generally declined across consumer and business loan types," in recent weeks, the Fed announced in its regular report on economic conditions known as the Beige Book.

"Several Districts noted that banks tightened lending standards amid increased uncertainty and concerns about liquidity," the Fed said.

The conditions in New York's financial sector "deteriorated sharply coinciding with recent stress in the banking sector," according to the Book.

SVB's collapse on March 10 after taking excessive interest-rate risk led to a snowball effect in the financial markets as concerned investors looked for signs of weakness in the broader banking sector in the US and Europe.

Another US regional bank failed in the aftermath of SVB's collapse, while the Swiss banking giant Credit Suisse became the highest-profile casualty a few days later when it was pushed by regulators to merge with its bitter rival, UBS.

Regulators on both sides of the Atlantic took swift action to stem the outflow of bank deposits by concerned customers.

A month on, the dramatic intervention by regulators appears to have paid off, with markets operating with far less volatility than they were in the days following SVB's collapse, according to the Vix volatility index.

The Fed's Beige Book also found that the elevated employment growth seen in recent months appears to have moderated somewhat, with several Federal Reserve districts reporting slower growth.

German automakers fight to defend their turf from Chinese rivals



A Volkswagen electric ID Next is debuted at an event ahead of the Shanghai Auto Show in Shanghai, China on April 17.

PHOTO: REUTERS

REUTERS, Shanghai

German automakers have turned up in full force at Shanghai's Auto Show as they fight to stay on top of consumer trends in the country that will define whether they maintain their market dominance in the electric age both at home and abroad.

Their heavy presence - with the entire board of Volkswagen AG and more than 100 VW employees attending, in contrast to Japanese or French automakers - shows they are taking the challenge seriously, said Yale Zhang of Shanghai-based consultancy Automotive Foresight.

But with German companies

relying on China for a third of their passenger vehicle sales, they also have the most to lose.

"A lot of features in our cars are inspired by China," Oliver Zipse, CEO of BMW, accompanied by his sales and technology chiefs, told a news conference, adding that the Chinese market was ahead of the global curve.

His comments mark the power shift from the combustion-engine age when German cars were seen in China as the pinnacle of global engineering, to the electric age when German automakers are learning from their Chinese counterparts who have moved faster on developing technology for electric vehicles (EVs)

that sets them apart.

Volkswagen executives have said the company's unrivalled global scale will help it win the race for affordable EVs - but that capacity could turn from a blessing to a curse if sales dip, with the market share of China's BYD Co Ltd surpassing that of the Volkswagen brand's this year so far.

While the battery-electric vehicle market share of German automakers in China is rising, it is still minuscule. The combined market share of the battery-electric vehicle market in China held by Audi, BMW, Volkswagen and Mercedes-Benz rose to 4.8 per cent in 2022 from 2.2 per cent in 2020, according

to a Reuters analysis of sales data from the Chinese Association of Automobile Manufacturers. The EV sales of all four German brands added up to only a quarter of BYD's in 2022.

German carmakers' total market share in the country rose from 19.9 per cent in 2015 to 24.6 per cent in 2019, but has fallen back down to 19.1 per cent, according to data provided to Reuters by Germany's autos association VDA.

"The Chinese market is no longer as stable for German carmakers as it was," Thomas Luk, partner at management consultancy Kearney, said on the sidelines of the Shanghai show.

A startup that's made cooking a revenue-generating affair

FROM PAGE B4

this proves to be successful, we plan to take it to other customers. Since this is very dependent on the price of the carbon market, we are hopeful that it will be very effective as these are high-impact and high technology-driven carbon credit that is very lucrative.

We expect to fetch a premium price on these. So, hopefully, the customers can offset their cost of electricity. The biodigester is also catching up. The system here is significantly larger. So, this project is taking a bit of time.

DS: Who are your competitors?

Ben Jeffrey: We have been operating as a startup. And as a startup, we do have competition. Our usual competitors are the conventional electric stove brands such as Walton, Miyako, Prestige and Vision. They are obviously providing a good and standard product. But we are bringing a carbon credit facility that no brand has offered yet.

Our very product is actually changing cooking from being a consumption-based activity to a revenue-generating activity. The very essence of our business is that we are actually going to new and interesting markets with fitting products where no other brand has gone before. So as of now, we do not see any direct competitor but maybe in the future, there might be some other players joining this business.

DS: What has been the most challenging part of your startup journey?

Ben Jeffrey: The government in Bangladesh has done an excellent job in terms of rolling out the electricity grid throughout the country. However, grid reliability is still a big issue, particularly in rural areas. As electrical cooking requires electricity, that is indeed a big challenge in the market.

Relaxy raises pre-seed funding from Sajida

STAR BUSINESS REPORT

Sajida Foundation has announced the successful closure of a pre-seed funding round with Relaxy Limited, a tech-based wellness platform focused on improving the accessibility and quality of mental health services in Bangladesh.

Relaxy's data-driven approach to mental health services is changing the landscape of mental health support in Bangladesh by making it more accessible and stigma-free.

With the investment from Sajida Foundation, Relaxy can expand its reach and impact, bringing its personalised psychosocial and well-being support services to more people, according to a statement.

Relaxy has already built a community of more than 11,000 users and has developed a comprehensive platform that helps individuals achieve their desired emotional, social, and psychological potential.

"We are thrilled to receive the support provided by Sajida Foundation - this represents a critical milestone in our journey towards building the next generation of digital mental healthcare in Bangladesh," said Jahnnobi Rahman, founder and CEO of Relaxy.

Ashique Selim, adviser of mental health programmes at Sajida Foundation, said Relaxy's platform has the potential to revolutionise mental health services in Bangladesh, and Sajida Foundation is eager to support its growth.

Tesla profits fall on vehicle price cuts

AFP, New York

Tesla reported a drop in first-quarter earnings Wednesday as price cuts at Elon Musk's electric vehicle company boosted demand but hit profit margins.

Profits came in at \$2.5 billion, down 24 per cent from the year-ago period on revenues of \$23.3 billion, which were up 24 per cent.

Shares fell on the results, which were in line with Wall Street expectations for earnings per share, but showed a lower profit margin than expected.

Faced with more EV competition from other automakers, Tesla has undertaken a series of price cuts in 2023, most recently over the last 24 hours on some models in the United States.

A depressing Eid

FROM PAGE B1

In some cases, they even believe that existing prices of some stocks are inflated.

"It's not that I can withdraw profit from the stock market every month, but I could not withdraw anything in at least the past eight months," said Hossain.

"On top of that, I withdraw some funds at least every Eid, but this year I could not for the first time," he claimed.

The stock market should be opened up, otherwise the market will be dented in the long run, Hossain added.

Due to the floor price, the turnover of Dhaka Stock Exchange remained less than Tk 500 crore for at least the past six months.

As a result, the stock market intermediaries — stock brokerage firms, merchant banks and asset management companies — are also feeling the pressure and most are running operations at losses.

The Daily Star talked to a number of stock brokers, merchant bankers and asset managers.

All apprehend that if the situation continues to prevail for a couple of more months, they will have to cut jobs and some will be forced to shut down.

"As per my knowledge, all the brokers paid salaries and bonuses even though they are incurring losses," said Md Sajedul Islam, senior vice president of DSE Brokers' Association.

"We are not earning anything since the floor price was launched as investors were hardly able to sell shares. On the other hand, our dealer accounts have also turned barren for a lack of trade," he said.

On top of that, costs of the brokerage houses soared when new brokerage licences were issued. "To retain our officials, we had to increase their salaries," said Islam.

There were 250 licences in the market in 2021 when the regulator issued another 50 or so licences.



Each kilogramme of broiler chicken was selling for around Tk 260 whereas Sonali chicken for Tk 380 in Dhaka's kitchen markets yesterday. Similar increases have been confirmed in Barishal and Shariatpur districts. The photo was taken on Bazar Road in Barishal city yesterday.

PHOTO: TITU DAS

Chicken turns Tk 50 costlier in two days

SUKANTA HALDER and SHAHEEN MOLLAH

The retail price of chicken, one of the population's biggest sources of protein, has gone up by around Tk 50 in the last two days, with the common reasonings being either a supply crunch or an attempt to cash in on inevitable Eid demand.

Each kilogramme (kg) of broiler chicken was selling for around Tk 260 whereas Sonali chicken Tk 380 in Dhaka's kitchen markets yesterday. Similar increases have been confirmed at Barishal and Shariatpur districts.


In tandem, beef and mutton are also retailing Tk 50 higher at Tk 800 and Tk 1,100 per kg.

Chickens sold in Dhaka arrive from a handful of big companies alongside small-scale operations run in surrounding areas.

Poultry farms have hiked prices since Eid-ul-Fitr is just around the corner and this had a ripple effect on the whole supply chain, said Saidur Rahman, a retailer of Karwan Bazar, one of Dhaka's biggest kitchen markets.

"When the companies were asked about the reason, they did not say anything," he said, apprehending that the price would rise further in the coming days.

Golam Rosul Kamrul, another retailer of


Poultry farms have hiked prices since Eid-ul-Fitr is just around the corner and this had a ripple effect on the whole supply chain
Saidur Rahman
 A retailer of Karwan Bazar

the Mirpur-12 kitchen market, said he sold broiler chicken at Tk 210 and Sonali chicken at Tk 350 per kg three days ago.

Abul Kalam, a trader in Shariatpur sadar area, said last Wednesday broiler chicken was sold at Tk 200 and Sonali chicken at Tk 320 per kg and it went for Tk 240 and Tk 350 respectively on Thursday.

Mohammad Rubel Hossain, a wholesaler at Kaptan Bazar, said he found supplies at only one company. "Called 8 to 10 traders today but I am not getting it from anyone. The price will increase," he said.

Kazi Zahin Hasan, a director of Kazi Farms Ltd, one of the major poultry producing companies in Bangladesh, did

not receive calls for comment on the matter.

As for beef and mutton prices, Mohammad Jalal Uddin, a butcher in Karwan Bazar, and Zakir Hossain, another butcher of the Mirpur-1 kitchen market, reasoned that everyone was trying to cash in on the Eid demand spike.

The market is controlled by a few big traders and they raise prices at the slightest excuse, said Ghulam Rahman, president of Consumers Association of Bangladesh.

State-run chicken farms that produce layer chickens can create competition in the market by providing supplies to small traders, otherwise the government will not be able to keep the market stable, he said.

The poultry industry meets 40 per cent of the total demand for meat in the country, according to industry people quoting data from the Department of Livestock Services.

The price hike has prompted cutbacks on purchases by low-income people such as househelp Shahnaz Parvin, a resident of Mirpur-11.

She said she bought 1.5 kgs of broiler chicken this year whereas last year she had bought two kgs ahead of Eid.

"At the price of beef, I can't buy a kg anymore. So, I thought I would buy half a kg the day before Eid," she said.



Customers are preferring to buy clothes, food and other essentials rather than luxuries such as furniture as the inflationary pressure stemming from global economic crises has strained their purchasing power.

PHOTO: RAJIB RAIHAN

Furniture sales

FROM PAGE B1

Sales of Partex Furniture, a concern of Partex Star Group, have also declined by as much as 50 per cent this year.

"Customers are not ready to spend money on purchasing furniture as their disposable income has fallen due to inflation," said Fazle Rabbi, head of marketing at Partex Star Group.

Other than reduced demand among the general public, government purchases of furniture has come down to almost zero as austerity measures have been taken to reduce non-essential expenditures amid the economic crisis.

Likewise, even the corporate sector is avoiding luxury purchases as business has been slow.

Rabbi then said living costs have risen by as much 20 per cent in the past few months, which has adversely impacted the furniture industry.

Besides, people are more interested in buying comparatively cheaper non-branded furniture considering their financial constraints.

On the other hand, sales of Regal Furniture, a concern of Pran-RFL Group, enjoyed their expected sales

ahead of Eid.

"We are happy with our Eid sales as customer footfall was good despite the country's current situation," said Kamruzzaman Kamal, marketing director of Pran-RFL Group.

According to him, customers are preferring products of Regal Furniture as they have not increased their prices despite the higher raw material cost resulting from Taka's devaluation against the US dollar.

"We are trying our best to provide customers with the best quality furniture at a reasonable price. But if the dollar shortage continues, the furniture industry will suffer in the long run," he added.

Riad Hossain, manager of Altaf Furniture at Begum Rokeya Sarani in Dhaka's Mirpur, said he could not sell any products in the past three days as few customers are showing up while those that do seek low-priced options.

"I am yet to witness this type of situation during my 20 years' experience in this sector. Maybe the people are opting to bear the expense of essential items instead of purchasing furniture," he added.

Good news for savers

FROM PAGE B1

In March, consumer prices jumped to a seven-month high of 9.33 per cent following 8.78 per cent in February.

Inflation averaged 8.39 per cent last month from 8.14 per cent in February, way higher than the maximum deposit rate offered by some banks.

"If the real interest rate remains negative, many people will look for alternative investment opportunities. We already see property prices are going up," Rahman said.

Owing to a lower return on deposits against persistently higher inflation, Rifat Jahan, a homemaker in the capital's Mirpur, pulled funds from a private commercial bank last year and redirected the money into the stock market although the latter itself has been witnessing a bearish trend for months.

"A good amount of money will remain outside the banking system until we raise the interest rate on deposits to match it with the inflation rate. We also need to win back the confidence of customers and reassure them that money kept with banks is safe," Rahman said.

Bank Asia President Chowdhury hopes the easing of the lending rate cap, the complete removal of the deposit floor rate, and the upcoming market-based lending rate will create

Which division

FROM PAGE B1

In fiscal year 2021-22, the share of remittances coming to Dhaka was 47 per cent of the total inflow followed by Chattogram at 26 per cent, as per Bangladesh Bank data.

Mohammed Monirul Moula, managing director and CEO of Islami Bank Bangladesh Ltd (IBBL), said citizens of Dhaka and Chattogram who stay abroad are mainly engaged in businesses.

"So, the ticket size of remittances they send home is usually higher. You will find many citizens of Chattogram having businesses in Mecca and Medina," he added.

"A higher number of migrant workers have gone abroad for jobs from the Cumilla and Noakhali

99.72% RMG units paid festival bonus so far: BGMEA

STAR BUSINESS REPORT

Some 2,145, or 99.72 per cent, of the garment factories in Bangladesh have paid festival bonuses to their workers as of yesterday.

Only six factories are left, which are currently working on clearing the bonus, according to a statement from the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

However, all garment factories have cleared their salaries for the month of March, the statement also said.

Earlier, the BGMEA brought under close monitoring and assisted around 450 garment factories, which might face difficulties in paying their workers.

At the direct intervention of the BGMEA, payments to workers at 26 factories were ensured.

The association held discussions with the workers, owners and the federation leaders and the payment problems were resolved either by selling factories, machinery or talking to the banks concerned.

HSBC urges shareholders to vote against proposed split

AFP, London

Bank giant HSBC on Wednesday reached out to shareholders, urging them to vote down a proposal by its largest stakeholder, Chinese insurer Ping An, to split the business.

It comes after Ping An on Tuesday ramped up pressure over its break-up strategy that it claims is necessary to improve performance at London-based HSBC.

Responding, the Asia-focused lender wrote in a letter to shareholders that "the board strongly believes that HSBC should focus on executing the current strategy that is delivering".

HSBC argued this was "the best and safest way to continue to deliver substantially more value for shareholders over the coming years".

It called on shareholders to vote against the proposal at the bank's annual general meeting on May 5.

In a rare public statement Tuesday, Ping An had said HSBC was lagging behind international peers and a recent improvement in performance was tied to rising interest rates, which have now peaked.

Ping An outlined revised proposals for restructuring that highlight HSBC's precarious position as US-China tensions rise, with some observers doubting whether Europe's largest lender can continue to straddle East and West.

a positive impact on good borrowers and also for depositors to manage inflationary pressures.

Mohammad Ali, managing director of Pubali Bank, said the requirement for funds has increased among banks and it is fueling the interest rate.

"Many borrowers who in the past did not seek full disbursement of credits against their limits are now making the most of the ceiling. We see an increased utilisation of limits."

He, however, acknowledges that because of the spike in the interest rate on deposits, the cost of doing business for borrowers may go up.

"In some cases, banks' operating profits may fall."

Shah Md Ahsan Habib, a professor at the Bangladesh Institute of Bank Management, said the easing of the interest rate ceiling on consumer credits has pushed up the deposit rate. "This is because banks were confronting fund challenges."

A mid-level official of a private commercial bank in Chittagong says some banks are even offering more than 8 per cent interest rate on longer-term deposit schemes.

"We are giving up to 7.75 per cent deposit rate on some schemes," he said, adding that his bank started to revise the deposit rates upwards in the first week of March.

regions but the ticket size of the money they send is not that high," said Moula of IBBL, which transferred more than one-fourth of total remittances in the October-December period of 2022.

Md Murshedul Kabir, managing director and CEO of state-run Agrani Bank Ltd, said a good number of migrants from Dhaka and Chattogram stay abroad.

Agrani Bank handles the largest amount of remittance among state-owned banks.

"We have contracts with more than 100 money transfer firms abroad and have a good distribution channel inside the country because of our branches and agent banking network," he added.

National Housing made Tk 26cr profit in 2022

STAR BUSINESS REPORT

National Housing Finance and Investments Ltd posted a Tk 26.33 crore profit in the last financial year of 2022.

The profit stood at Tk 26.09 crore in 2021.

The company's earnings per share, thus, rose slightly to Tk 2.25 in the last financial year from Tk 2.23 a year earlier.

The net asset value per share increased to Tk 19.40 in 2022 from Tk 18.65 in 2021 while the net operating cash flow per share slipped to negative territory at Tk 19.16 from Tk 9.21 during the period.

The board of directors recommended a 15 per cent cash dividend for the year that ended on December 31.

Shares of National Housing were unchanged at Tk 41.80 on the Dhaka Stock Exchange on Tuesday.

Janata Ins profit up 4.3% last year

STAR BUSINESS REPORT

Janata Insurance Company Ltd's profit increased 4.3 per cent year-on-year to Tk 5.59 crore in the last financial year of 2022.

It made Tk 5.36 crore profit in 2021.

The insurer reported earnings per share of Tk 1.20 for the last financial year, which was Tk 1.15 in 2021.

The net asset value per share rose to Tk 14.55 in 2022 from Tk 14.01 in 2021 while the net operating cash flow per share improved to Tk 1.85 from Tk 1.83 during the period.

The board of directors of the insurer recommended an 11 per cent cash dividend for the year that ended on December 31.

Shares of Janata Insurance were up 0.37 per cent to Tk 27 on the Dhaka Stock Exchange on Tuesday.

Crystal Ins profit dropped in 2022

STAR BUSINESS REPORT

Crystal Insurance Company Limited's profit declined 3.88 per cent year-on-year to Tk 10.88 crore in the financial year that ended on December 31.

The profit was Tk 11.32 crore in 2021.

The company reported earnings per share of Tk 2.72 for the last financial year, down from Tk 2.83 a year ago.

The net asset value per share rose to Tk 24.31 in 2022 from Tk 22.80 a year ago, while the net operating cash flow per share surged to Tk 6.08 from Tk 2.80 during the period.

The board of directors of the insurer has recommended a 10 per cent cash dividend for 2022.

Crystal Insurance's shares closed 3.13 per cent higher at Tk 36.20 on the Dhaka Stock Exchange on Tuesday.

Nahee Aluminum's profit plunges in Q3

STAR BUSINESS REPORT

Nahee Aluminum Composite Panel Ltd posted a nearly 88 per cent year-on-year decline in profit to Tk 1.09 crore in the third quarter of the current financial year.

This compared to the Tk 8.82 crore profit the company made in the identical quarter of 2021-22.

Its earnings per share were Tk 0.16 in January-March of 2022-23 against Tk 1.29 in the same quarter a year earlier, according to the unaudited financial statements.

In a filing on the Dhaka Stock Exchange, Nahee Aluminum said the global economic crisis following the Covid-19 pandemic, and the energy and foreign currency crises impacted the overall financial performance as they increased product costs while reducing demand.

"Thus, EPS during the period decreased significantly compared to the previous period."

The sharp decline in profit in the third quarter has impacted its overall earnings in the first nine months of FY23 when it stood at Tk 3.21 crore, down 80.50 per cent from Tk 16.47 crore during the same period a year earlier. Thus, the EPS dropped to Tk 0.47 from Tk 2.41.

Shares of Nahee Aluminum were unchanged at Tk 65.30 on the DSE on Tuesday.



Providing access to clean cooking services will not only have a dramatic impact on health and livelihoods, but it will also have a huge environmental impact. The switch away from burning wood and other biomass will reduce global greenhouse emissions each year by 1 billion tonnes. ATEC, a green-tech startup working to solve clean cooking, has introduced e-cook stoves that can help cut carbon emissions. It has customers in Bangladesh who also use e-cook stoves.

PHOTO: COLLECTED

A startup that's made cooking a revenue-generating affair

SHAHRIAR RAHMAN

Social entrepreneur Ben Jeffrey is leading the operation of ATEC, a green-tech startup working to solve clean cooking and climate change. During an interview with The Daily Star recently, he spoke about ATEC, its global and local operations, revenue-sharing model and competition, among other issues.

DS: What does ATEC do?
Ben Jeffrey: ATEC exists to decarbonise cooking. Traditional cooking is done using a large quantity of foods which emits a lot of carbon dioxide as well as other greenhouse gases. The quantity is around one gigaton, which is far more than the emissions caused by the entire airline industry in the world. The whole goal is to take away people from the traditional means of cooking and get them on board with modern cooking systems.

What we bring is quite unique in this situation because we have a very technology-based approach to trying to solve this problem. We have our very own electric cooking device system, which is a high-efficiency induction stove.

It also has a SIM card in it, so it is essentially an IoT device. These patented devices can be used for payments. But more importantly, this data can be used to calculate carbon credits, which can be later sold internationally.

We have major partners in the

energy and transport sectors that are looking towards offsetting their carbon emissions. Hence, they are very interested in buying carbon credits, particularly from households in developing or least-developed countries. We just don't share the stove with them. We also share the revenues obtained from these carbon credit sales.



Ben Jeffrey

DS: What's the scale of operation of ATEC globally?

Ben Jeffrey: We originally started in Cambodia in 2016. We initially began with a biogas product. We are still operating that and it is also doing quite good in Bangladesh.

In 2019, we raised funds to expand our operation to Bangladesh because the market dynamics, the type of economy and the type of geography are very similar to Cambodia. But the best part is it has a population that is 10 times

more than Cambodia. So, we saw it as a very high potential growth market. We registered in Bangladesh in 2020 in the middle of the pandemic.

DS: What's the customer base in Bangladesh? How big is the operation? What are the products?

Ben Jeffrey: Currently, we have two products in the market: the IoT-based e-cook stove and the other one is the biogas-based product. These products are available in the countries we operate in.

In Bangladesh, the widely adopted product is the e-cook stove. Right now, we have around 5,000 active customers in Bangladesh. Around 80 per cent of them are e-cook stove users. We acquire most of our customers through Facebook ads and other digital means.

We also have an app where customers can check their electricity consumption. This has been well received by customers. Our payments system is integrated into it, so users can make the payments as well.

DS: How does the revenue-sharing model work?

Ben Jeffrey: The e-cook can be purchased on a payment plan (EMI plan). It requires electricity to cook, similar to any other conventional e-cooker. It is very cheap compared to LPG.

Right now, we are running a pilot for the revenue-sharing model with a few customers.

READ MORE ON B2

Why do we judge so quickly?

MAHTAB UDDIN AHMED

Two friends, Pessimist and Optimist, were on a bus ride when the latter suggested they stop for a meal.

"I don't think that's a good idea as it could cause something bad to happen," said Pessimist.

"Or it could cause something good to happen," replied Optimist. "Besides, I'm hungry."

So, they got off at the next stop and walked into a restaurant. While enjoying a hearty meal, they heard the breaking news on TV announcing how a bus was crushed in an avalanche about 15 minutes ago. To their horror, they realised that it was the same bus that they were in.

In sheer relief, Optimist said, "See, I told you something good would happen if we got off the bus." But Pessimist contradicted, "If the bus hadn't stopped to let us off, it might have missed the avalanche."

Now it is up to us to see if the glass is half empty or half full.

Back in 2017, during Ramadan, I was searching for an organisation where I could contribute my Zakat fund and a former colleague strongly recommended Bidyanondo. Subsequently, a meeting was organised with Kishor, the founder of Bidyanondo, and I came to learn his vision and the story behind Bidyanondo.

During the hour-long meeting, I felt somewhat small before this giant of a visionary. I still recall how Kishor expressed his discomfort with the name, Bidyanondo, which was chosen on an agency's recommendation, as it has a religious connotation as perceived by many.

Fascinated, I decided to visit its Mirpur branch with my sons to see its work firsthand, and I ended up spending almost half a day cooking with their volunteers, and packing and distributing food among the poor.

In addition, I also got the opportunity to interact with the volunteers, students, and teachers in its free school. Convinced of its fantastic work, I started my personal association with Bidyanondo and later took it up at the corporate level.

I also studied how it manages Zakat funds and found that it had dedicated bank accounts and Zakat-backed activities in compliance with the Shariah law.

In 2019, as a part of the holy month of Ramadan campaign, Robi partnered with Bidyanondo on an innovative idea of Kishor - Iftar Vending Machine, which I personally visited with my colleagues and was very pleased with.

Based on these personal experiences and interactions with Kishor, can I claim I know everything about Bidyanondo? Obviously not! But I will not stop short of admiring its work and wish there were more organisations like Bidyanondo. Does it have any agenda other than standing behind the poor and needy? Not that I know of.

Pessimists love to pick on anything, sparing not even the perfect. Of course, Bidyanondo is not perfect. Who is perfect in this world, for that matter? Are you or our society?

From my experience with Bidyanondo, I can vouch that we are less perfect than them. Process loopholes are common to all organisations, and Bidyanondo is no exception.

In my earlier job, the faces of two great legends got mixed up due to a silly mistake by a media agency. Does it mean that the management or the board supported the blunder? I am sure Bidyanondo also has room for improvement, which will only help it become more mindful and emerge stronger than ever.

When you are treading deep waters, it is unlikely that you will find your friends around you. And when it comes to being judgmental, our society is a master in the art of drawing quick conclusions and then looking for facts to substantiate them, little considering that re-emerging from a damaged reputation, no matter how ill-founded, can be a mammoth task.

The truth of the matter is that while big flies like tax and bank defaulters get away, benevolent entities get caught in the judgmental social web.

The author is founder and managing director of BuildCon Consultancies Ltd

Rising costs force UK firms to compromise on sustainability: survey

REUTERS, London

British businesses are struggling to meet their sustainability goals due to rising energy prices, costs associated with international trade barriers and the impacts of the Covid-19 pandemic, a survey showed on Thursday.

Almost three quarters of the more than 500 business leaders questioned said their firms had been forced to compromise on their sustainability efforts, the Chartered Institute of Procurement and Supply (CIPS) said.

Higher energy prices and other rising business costs were the main reason, cited by 61 per cent of respondents as causing a drag on their sustainability efforts, while 42 per cent mentioned the impact of the pandemic and 40 per cent said the cost of trade barriers such as Brexit and U.S. China relations had affected their goals.

"The unprecedented disruption in recent years has led many businesses to focus on just keeping the lights on," said David Taylor, Chief Operating Officer at CIPS, which represents procurement and supply management professionals globally.

The research was conducted April 6-11,

with at least 250 of the executives from large businesses with hundreds of employees.

Investors, as well as consumers, are increasingly drawn to companies which can demonstrate improved alignment with environmental, social and governance goals such as lower carbon emissions or reduced wastage in supply chains.

CIPS said only 12 per cent of business leaders said they incentivise suppliers to achieve sustainability targets despite 85 per cent believing they will fail to meet those targets without supplier commitment.

The British government has sought to position itself as a hub for sustainable finance with a target of becoming the world's first net-zero aligned financial centre.

In December, Britain paused its taxonomy for guiding companies on green investments, saying it was a complex exercise linked to multiple sectors of the economy.

Taxonomies set out conditions for labelling an activity "sustainable" and help to outline what is and is not a green investment in order to stamp out "greenwashing", where organisations overstate their environmental credentials.



PHOTO: REUTERS

People look out from Greenwich Park, with the Canary Wharf financial district in the distance, in London on April 6. The British government has sought to position itself as a hub for sustainable finance with a target of becoming the world's first net-zero aligned financial centre.