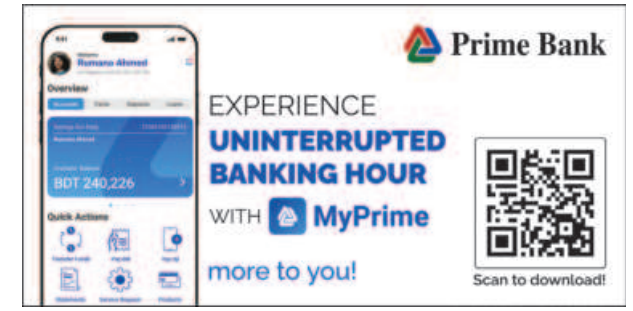


Star BUSINESS



BSEC urges bankers to help develop bond market

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) has asked banks in the country to help develop the local bond market by increasing their participation in buying and selling the debt securities.

The BSEC made this request during a meeting with various bankers and institutional investors at its office in Dhaka yesterday.

"The bond market is an important source of long-term financing and it has huge potential in Bangladesh," said Shaikh Shamsuddin Ahmed, a commissioner of the BSEC.

As such, the BSEC is giving full effort to make the bond market more sustainable and useful for entrepreneurs in the country, he added while chairing the meeting.

With this backdrop, he requested all institutional investors to actively

AT A GLANCE

APPROVED Nearly 800 companies got approval for manufacturing herbal medicines

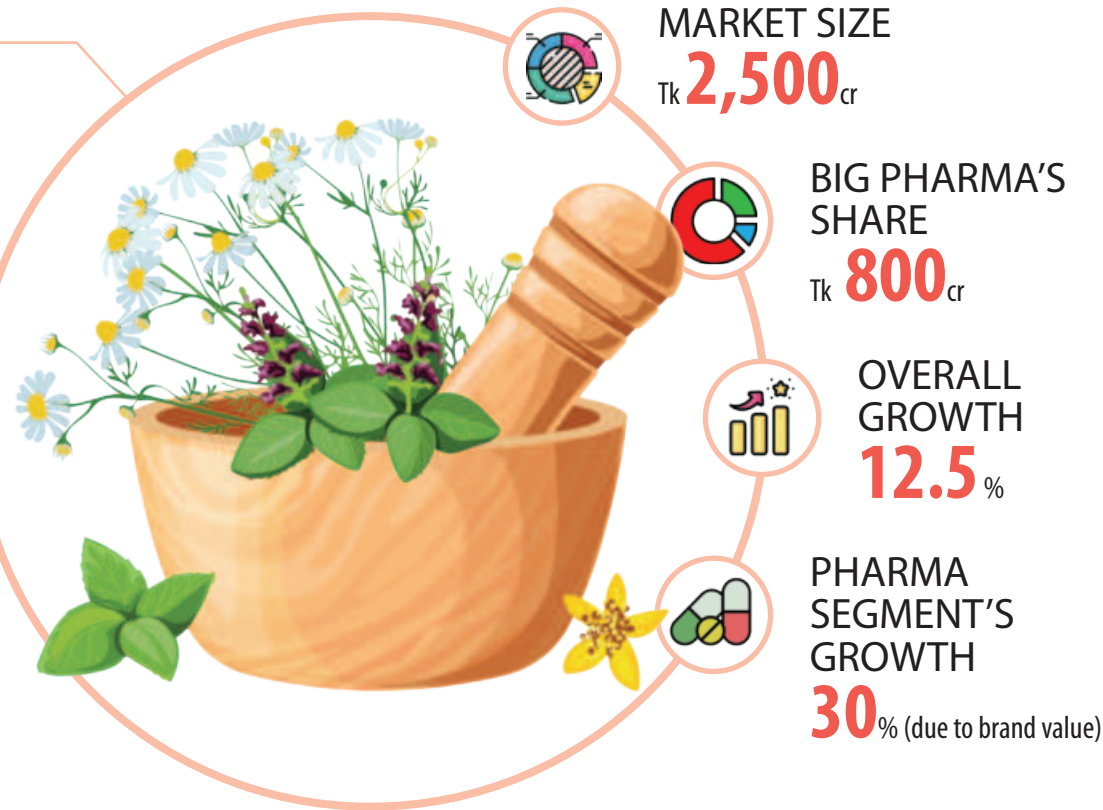
POTENTIAL Big companies entering herbal medicine market

POTENTIAL

- Herbal medicines can often be more affordable
- The products have demand in local and global markets
- Raw materials can be collected from local sources

CHALLENGES

CHALLENGES Manufacturers often face challenges in ensuring compliance



CHALLENGES Ensuring consistent quality and standardisation is a hard task

CHALLENGES Sourcing authentic and high-quality herbs can be challenging

CHALLENGES Investment in research and development is low

Big pharmas taking hold of herbal medicine market

JAGARAN CHAKMA

Big pharmaceutical companies in Bangladesh are gradually taking hold of the country's growing market for herbal medicines as people are opting for higher quality natural remedies with recognisable brand value.

The demand for herbal medicine is expanding fast as they have no side effects and are clinically proven to be effective in treating various ailments, according to industry insiders.

And although there is no reliable data, the market for herbal medicine generates annual revenue of about Tk 2,500 crore, which is one-tenth of that earned by the overall pharmaceutical sector, they said.

At present, leading drug makers such as Square, Beximco, Incepta and Acme cater to 30 percent of the country's demand for herbal medicine, earning them a combined Tk 800 crore each year.

Habibur Rahman, general manager of marketing at Incepta Pharmaceuticals, said the demand for herbal medicine of pharmaceutical companies has been growing by 30 percent annually for the past decade.

Rahman pointed out that a major benefit of producing herbal medicine is that all the required raw materials can be

sourced locally.

And while the number of herbal medicines provided by pharmaceutical companies may be low, the demand is high as customers are more trusting of the natural remedies offered by renowned brands.

This is because like allopathic

new formulas from the industry's once traditional past.

"We have plans to soon set up a separate plant for herbal medicine," he said.

"People are gradually becoming more accepting of herbal medicine, which is why pharmaceutical companies are

abroad as many natural remedies are now globally recognised.

Sayed Ahmed Siddiqui, president of the Bangladesh Unani Aushad Shilpa Samity, an association of herbal medicine makers, said annual sales of herbal medicine hit a record high of Tk 1,000 crore in 2010.

Overall, the market has grown by about 12 percent annually during the past 12 years, he added.

According to him, both Ayurvedic and Unani medicines are types of herbal medicines made of all-natural materials.

Siddiqui, also managing director of Neptune Laboratories, said there are at least 320 Unani medicine manufacturers in the country while around 220 others produce Ayurvedic remedies.

Unani medicine is a type of Perso-Arabic traditional medicine practised in Muslim culture while Ayurvedic treatments have their roots in the Indian subcontinent.

Siddiqui said big pharmaceutical companies are becoming increasingly interested in producing herbal medicine considering the sizeable market for such products.

However, traditional producers are unable to keep up in the competition as they often lack access to bank finance even if licences are granted by the DGDA, he added.



"The bond market is an important source of long-term financing and it has huge potential in Bangladesh," said Shaikh Shamsuddin Ahmed, a commissioner of the BSEC.

participate in the bond market.

Bankers at the meeting said the high cost of secondary trading, lengthy approval process, artificial interest rates and current bond yield system were the main reasons for the present status of the bond market.

The BSEC had launched the secondary market for trading bonds on October 11, 2022. However, overall trading in the market still amounts to less than Tk 15 crore, as per data of the Dhaka Stock Exchange.

Selim R F Hussain, president of the Association of Bankers, Bangladesh, and representative of Standard Chartered Bank and Citibank was present at the event.

In a separate meeting with asset management companies, the BSEC ordered them to raise their

READ MORE ON B3

BB asks 5 Shariah banks to resolve liquidity crisis

MD MEHEDI HASAN

Bangladesh Bank has directed five Shariah-based banks to resolve their current liquidity crisis while three of them were asked to bring down their advance deposit ratio (ADR) within the regulatory limit as soon as possible.

The five are Islami Bank Bangladesh, First Security Islami Bank, Social Islami Bank, Union Bank and Global Islami Bank.

The ADR measures loans (advances) as a percentage of deposits. A ratio of 100 percent or less shows that the bank is funding all its loans from deposits rather than relying on wholesale funding (from capital markets or other banks).

The five banks are Islami Bank Bangladesh, First Security Islami Bank, Social Islami Bank, Union Bank and Global Islami Bank.

When a bank crosses the ADR limit, it is in a risky zone, as per industry insiders.

The BB's directive came in a meeting with the managing directors of the five at the central bank headquarters on Wednesday.

BB Deputy Governor AKM Sajedur Rahman Khan presided over the meeting while other high officials of the central bank's off-site supervision department were present.

Bangladesh Bank Executive Director and Spokesperson Md Mezbaut Haque declined to comment on the matter.

However, a senior official of the central bank, seeking anonymity, said three of the banks had crossed their ADR limit which was why the BB had passed the directives.

He also said the banks faced a shortfall in their cash reserve ratio (CRR) and statutory liquidity ratio (SLR) for undergoing liquidity crisis over the

READ MORE ON B3

STOCKS	
DSEX ▲	CASPI ▲
0.54%	0.22%
6,254.82	18,478.22

COMMODITIES	
Gold ▲	Oil ▲
\$1,894.58	\$80.30
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.59%	▼ 0.44%	▼ 0.52%	▲ 0.43%
65,151.02	31,626.00	3,196.75	3,163.74

READ MORE ON B2

Crab exports recovering from pandemic loss

STAR BUSINESS REPORT

Crab exports, which lost momentum after the outbreak of Covid-19, have rebounded in terms of quantity, giving a new lease on life to growers in coastal districts who rear the sea creature to sell to exporters.

Over the last two fiscal years, Bangladesh shipped around 7,500 tonnes of crabs annually as exporters are sending the decapod crustaceans by complying with the rules of importing countries, mainly China, the key destination, according to data of the Department of Fisheries (DoF).

The fisheries office data showed that export of crabs was 7,452 tonnes in fiscal year (FY) 2022-23, which was slightly lower than the previous year but higher than three years ago.

However, data of the Export Promotion Bureau (EPB) data showed that export receipts from crabs fell 26 percent year-on-year to \$8.7 million in FY23.

In July of FY23, crab exports surged 71 percent year-on-year to \$940,000, EPB data shows.

The recovery comes after the DoF started issuance of certificates to exporters in line with the requirement of Chinese authorities regarding crabs and eel fish to facilitate exports.

In June 2020, China suspended the import of crabs and eel fish from Bangladesh following detection of lead and cadmium in some consignments.

READ MORE ON B3



Workers at a fishery in Pankhali union of Dakop upazila in Khulna are seen using traps to catch crabs from their enclosure. Crab exports rebounded in fiscal 2022-23 as outgoing shipments now comply with the regulations of importing countries. The picture was taken yesterday.

PHOTO: HABIBUR RAHMAN

Appollo Ispat drowning in loans

STAR BUSINESS REPORT

Appollo Ispat Complex Limited, producer of the renowned "Rani Marka Dheu Tin" brand of corrugated iron sheets, is drowning in loans with production shut for over two years.

The company informed its investors through a post on the Dhaka Stock Exchange (DSE) website yesterday that its factory has been out of production for the last two years.

It said to be currently bearing a "huge financial burden, which is approximately Tk900 crore (including penal interest) and other liabilities of Tk 200 crore".

The company has not been publishing any financial reports since 2019 so the data regarding the losses it incurred is not available.

A former official of the company, preferring anonymity, said the

READ MORE ON B3

Berger to honour talented interior designers

STAR BUSINESS DESK

The most talented professional and amateur interior designers will be recognised by Berger Paints Bangladesh Ltd, which announced the launch of the "Berger Awards for Interior Design 2023" at Gulshan Club in Dhaka yesterday.

Aspirants will contend for six prizes across the two categories, with the winners receiving Tk 1 lakh, a certificate and a trophy, said a press release.

A distinguished panel featuring eminent architects Ehsan Khan, Tania Karim, Asif M Ahsanul Haque, Abid Hasan Noor, Syeda Tuhin Ara Karim, and artist Dhali Al Mamun will serve as judges.

Rupali Chowdhury, managing director of Berger Paints Bangladesh, attended the programme as the chief guest. "The interior design sector has experienced remarkable growth in recent years, and its momentum is expected to continue," she said. "Colour plays a pivotal role in the work of interior designers. As a market leader in the paints industry, Berger Paints has taken this initiative to inspire interior designers and acknowledge the best in them," Chowdhury said.



Rupali Chowdhury, managing director of Berger Paints Bangladesh, attends the press conference on "Berger Awards for Interior Design 2023" at Gulshan Club in Dhaka yesterday. PHOTO: BERGER PAINTS BANGLADESH

Nagad opens campaign for college students

STAR BUSINESS DESK

Nagad Ltd recently launched a payment campaign styled "Class XI Admission Payment Campaign" enabling college students to pay their admission fees charge-free using its app.

The campaign will continue till September 31, said a press release.

Customers of the mobile financial service (MFS) provider will get an instant cashback of Tk 2.5 after paying the application fee amounting to Tk 150 during the entire campaign.

A customer must have an active and full-profile Nagad account to avail this offer.

For the payment using Nagad's app, a student needs to go to "Bill Pay", tap XI class admission 2023, and enter roll number, contact number, board name, and passing year.

Therefore, they will press the "next" button and enter the amount. In the next step, they will type the PIN number and tap again.

Once the payment is successfully completed, users will receive a confirmation notification.

"We have now introduced an option for students to pay their college admission fees free of charge using Nagad's platform to facilitate their admission process," said Md Shihab Uddin Chowdhury, chief commercial officer of the MFS provider.



Sha Migan Shafiur Rahman, deputy inspector general of police in Sylhet range, addresses a workshop, styled "Investigating and Preventing Abuse of Mobile Financial Services", at an in-service training centre in Sylhet recently. PHOTO: BKASH

Workshop held on MFS abuse

STAR BUSINESS DESK

Sylhet Range Police in collaboration with bKash recently organised a daylong workshop to raise awareness on how to prevent the abuse of mobile financial services (MFS) in criminal activities.

The workshop, styled "Investigating and Preventing Abuse of Mobile Financial Services", was organised at the in-service training centre in Sylhet, with over 50 investigation officers taking part. Sha Migan Shafiur Rahman, deputy inspector general of police in Sylhet range, addressed the programme as chief guest, said a press release.

The workshop discussed in detail how to identify crimes and criminal groups connected to MFS abuse and utilise that information to ensure justice.

Among others, former additional inspector general of police Md Nazibur Rahman, adviser of bKash, Major (ret'd) AKM Monirul Karim, executive vice president and head of external affairs, Md Zedan Al Musa, police super (admin and finance) at Sylhet DIG office, and Falguni Purakayastha, Sylhet in-service training centre commandant (police super), were present.

Jittery rouble steadies

REUTERS

The Russian rouble strengthened to 93 against the dollar on Thursday, in a volatile week filled with speculation over how the authorities might stabilise the currency after a 350 basis point rate hike appeared to have only a limited effect.

The Bank of Russia increased its key rate to 12 percent on Tuesday, an emergency attempt to halt the rouble's recent slide past the symbolic 100 threshold, but analysts said more measures may be needed to return the rouble to the 80-90 range authorities have deemed acceptable.

By 1005 GMT, the rouble was 1.8 percent stronger against the dollar at 92.92, earlier clipping a two-week high. It had reached a near 17-month low of 101.75 against the dollar on Monday.

Islami Bank launches remittance campaign

STAR BUSINESS DESK

Islami Bank Bangladesh PLC launched a campaign styled "Islami Bank-Instant Cash Remittance Fiesta".

Mohammed Monirul Moula, managing director and CEO of the bank, inaugurated the fiesta at the Islami Bank Tower in Dhaka yesterday.

"Islami Bank has been playing an important role in collecting remittances since its inception. One-third of the country's total remittances are collected through this bank," said Moula.

Under the campaign, the bank's clients will get a total of 43 washing machines through a digital draw on 43 banking days for sending cash remittance through Instant Cash FZE.



Mohammed Monirul Moula, managing director of Islami Bank Bangladesh, cuts a ribbon to inaugurate a campaign, styled "Islami Bank-Instant Cash Remittance Fiesta", at Islami Bank Tower in Dhaka yesterday. PHOTO: ISLAMI BANK BANGLADESH

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (AUG 17, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 62-Tk 72	-0.74 ↓	-7.59 ↓
Coarse rice (kg)	Tk 48-Tk 50	0	-7.55 ↓
Loose flour (kg)	Tk 50-Tk 52	0	-2.86 ↓
Lentil (kg)	Tk 90-Tk 100	0	-11.63 ↓
Soybean (litre)	Tk 155-Tk 160	-3.67 ↓	-9.48 ↓
Potato (kg)	Tk 36-Tk 40	-5 ↓	35.71 ↑
Onion (kg)	Tk 65-Tk 80	11.54 ↑	45 ↑
Egg (4 pcs)	Tk 53-Tk 55	12.5 ↑	2.86 ↑

SOURCE: TCB



Akkas Uddin Mollah, chairman of the executive committee of Shahjalal Islami Bank, presides over the 858th meeting of the executive committee of the bank at its corporate head office in Dhaka on Wednesday. Among others, Fakir Akhtaruzzaman, vice-chairman of the committee, Md Sanaullah Shahid, Mohiuddin Ahmed, Khandaker Sakib Ahmed and Md Towhidur Rahman, directors of the bank and members of the committee, Abdul Aziz, managing director (current charge), and Md Abul Bashar, company secretary, were present. PHOTO: SHAHJALAL ISLAMI BANK

Meena Bazar now at Shimanto Square

STAR BUSINESS DESK

Superstore brand Meena Bazar yesterday launched its 27th outlet at Shimanto Square on Dhanmondi Road 2 in Dhaka, aiming to provide quality products and services to its customers at affordable prices.

Kazi Inam Ahmed and Kazi Anis Ahmed, directors of Gemcon Group, inaugurated the outlet, said a press release.

The new outlet will offer a wide range of products, including fresh fruits, bakery items, dairy products, frozen foods and household essentials under one roof.

The company has been operating in Bangladesh since 2002 and had 26 outlets across Dhaka and Chittagong prior to opening the new one.

Among others, Zakir Hossain, general secretary of Bangladesh Supermarket Owners Association, Ahmed Shoyeb Iqbal, chief operating officer for expansion, brand and online of Meena Bazar, and Shameem Ahmed Jaigirder, chief operating officer for operations and supply chain, were present.



Kazi Inam Ahmed and Kazi Anis Ahmed, directors of Gemcon Group, inaugurate Meena Bazar's 27th outlet at Shimanto Square on Dhanmondi Road 2 in Dhaka yesterday. PHOTO: MEENA BAZAR

Why is China not rushing to fix its ailing economy?

REUTERS, Beijing

With China at risk of tipping into prolonged stagnation and a spiralling property crisis threatening financial stability, there is growing unease over why its leaders are not rushing to revive the world's second-largest economy.

Even in a country known for opaque and drawn-out decision making, investors, analysts and diplomats are pointing to signs that Beijing seems hesitant to deliver the bold policies needed to prop up an ailing post-Covid recovery.

This is not just an economic problem but a geopolitical one.

US President Joe Biden - at loggerheads with China over hot-button issues like Taiwan, the democratic island Beijing claims as its own - last week called China a "ticking time bomb" due to its economic ills. "That's not good because when bad folks have problems, they do bad things," Biden said.

So why has China's response been so tepid?

The view of several China watchers is that President Xi Jinping's focus on national security is restricting and working counter to the economic effort, scaring off the money Beijing says it is seeking to attract.

"The core problem this year is that the leadership has given vague, high-level instructions for officials to balance economic development against national security," said Christopher Beddor, deputy director of China research at Gavekal Dragonomics.

"If officials are unsure what the leadership wants them to do, they're likely to put off any action until they receive more information. The result is policy paralysis, even if that comes at a substantial cost."

Others say the Communist Party's ingrained hesitancy towards

measures that could shift power from the state to the private sector, and a government stacked with Xi's loyalists, may be stifling the policy debate and stymieing the response.

To be sure, change in China can take time, as demonstrated by its insistence on maintaining economically damaging Covid-19 restrictions through most of last year, even as the rest of the world opened up.

China has shown timely resolve in the past, responding comprehensively to stem growth worries during the 2008-2009 global financial crisis and a capital outflow scare in 2015.

Major policy change is often also heavily choreographed, with a December economic meeting usually the venue to formulate such resolutions.

Economists say China needs measures to boost consumption and business confidence, such as tax cuts or government-funded consumption vouchers, but add that unlike previous slowdowns, there is no quick fix. China has hit back at criticism of its response.

"A small number of Western politicians and media amplify and hype up the temporary problems existing in China's economic recovery," foreign ministry spokesman Wang Wenbin told media on Wednesday.

"They will eventually be slapped in the face by reality," he said.

Wang's comments came after weak economic activity data on Tuesday fuelled concern that China is heading for a deeper, longer slowdown.

The government has also suspended publishing data on youth unemployment, which has hit record highs in what analysts say is partly a symptom of regulatory crackdowns on big employers in the technology, education, real estate and finance sectors.

Big pharmas taking

FROM PAGE B1

Rajib Singha, managing director of Sree Kundeswari Aushadhalya Ltd, a Chattogram-based herbal medicine producer, said the market for natural remedies is growing as people are becoming more health conscious.

"For this reason, people are seeking natural and holistic approaches to maintain their health and prevent disease, contributing to the popularity of herbal medicines," he added.

Singha also said herbal medicines were often perceived as safer alternatives to conventional pharmaceuticals as they are derived from natural sources.

Md Ayub Hossain, the preceding additional director general of the DGDA, said so far around 800 companies have taken permission to manufacture herbal medicines.

According to him, the DGDA is cooperative in developing the herbal medicine sector as it is a globally recognised and a fruitful industry.

However, he said big pharmaceuticals companies are gradually grabbing up the market for herbal medicine, leaving little space for traditional producers to survive.

Denmark, Bangladesh

FROM PAGE B4

Addressing the event, BFSA Chairman Md Abdul Kayowm Sarker said, "This collaboration will enable us to adopt best practices, learn from international experiences, and implement evidence-based strategies to address the evolving challenges in the food safety landscape."

"Our joint efforts will undoubtedly result in safer food for our consumers and further bolster our reputation in the global food market."

Denmark and Bangladesh have had a close relationship throughout the last 50 years, said Anders Karlsen, chargé d'affaires at the embassy of Denmark in Dhaka.

"We are happy to take this relationship an important step further with this MoU, with an in-depth collaboration to create a more sustainable and safe food production," Karlsen said.

Accelerating US economy sideswipes markets

REUTERS

Far from the recession forecasts of earlier this year, US economic growth may actually be accelerating in the second half of 2023 - upending bond and stock markets scrambling to reprice long-term inflation and interest rate assumptions.

After a blowout July retail sales report on Tuesday was followed yesterday by news of a surprising surge in US industrial output and housing starts last month, third quarter US gross domestic product estimates are ratcheting higher.

Although often a volatile model, the Atlanta Federal Reserve's real-time 'GDPNowcast' estimate of current quarter GDP growth has soared to as high as 5.8 percent - its highest since January 2022 and more than twice what it was just one month ago.

That compares with the official estimates of second-quarter GDP growth at an annualised 2.4 percent - itself a significant upside surprise - and Wall St forecasters are re-drawing forecasts again. Deutsche Bank on Wednesday, for example, more than doubled its third quarter real GDP call to 3.1 percent.

With China's economy struggling under a weight of property sector, credit and geopolitical worries - and GDP forecasts there being revised down rapidly - US growth could well outstrip it this quarter.

The implications of such resilience in US activity in the face of more than five percentage points of interest rate rises in 18 months has forced many to rethink the sustainable interest rate level over the horizon and increase long-term projections.

The Fed itself, judging by minutes of its most recent policy meeting released on Wednesday, is still unsure whether it should raise rates again. It has its annual Jackson Hole conference later this month to nuance any guidance before it meets again in September.

For now, the constellation is seeing an ongoing repricing of bonds and 10-year Treasury yields topped 4.3 percent on Thursday for the first time since October.

And the restiveness of the bond market has unnerved stocks to boot - even though the earnings and interest implications of accelerating growth are competing influences.

After another heavy loss on Wall St indices on Wednesday, futures regained some ground ahead of the bell today. Ebbing oil prices might help as China's woes cut across energy demand forecasts.



Eggs were being sold at Tk 15 a piece at the retail level recently, with the excuse being that there was a price hike at the producers' level.

PHOTO: STAR/FILE

Egg producers deny liability for abnormal price rise

STAR BUSINESS REPORT

Egg, meat and feed producers of the poultry industry yesterday refused to take responsibility for the prices of eggs skyrocketing, claiming that they were selling those at reasonable prices.

They instead claimed that a section of traders was making hefty profits capitalising on market volatility and making consumers pay higher prices.

The claims came at a seminar on the poultry industry's current state in Bangladesh organised by associations of the industry and Economic Reporters' Forum (ERF) on the latter's premises in Dhaka.

Egg producers said they were selling each egg to hatcheries at the government-announced price of Tk 10.50.

An egg should be sold at Tk 12 at consumers, thereby ensuring every party involved can make a profit, they said.

Other important factors like the high exchange rate of the US dollar against the taka, high import duty and transportation costs were also blamed for the sudden hike.

Recently, each egg was being sold at Tk 15 at the retail level, with the excuse being that there was a price hike at the producers' level.

"It is a false allegation that a syndicate controls the egg markets," said Zahin Hasan, director of Kazi Farms Limited, a major egg producer.

However, producers at yesterday's seminar denied the allegation. They also denied that a syndicate controlled the egg markets.

"It is a false allegation that a syndicate controls the egg markets," said Zahin Hasan, director of Kazi Farms Limited, a major egg producer.

Hasan added that chickens lay fewer eggs in hot weather as they consume less feed and more water.

Moreover, the supply of eggs was disrupted because of inclement weather

and the consequent deterioration of the condition of roads and highways, he said.

The price of eggs had increased abnormally last year because people who used to drive the trucks used in transporting eggs went on a strike protesting a diesel price hike. He pointed out.

Shamsul Arefin Khaled, president of the Feed Industries Association of Bangladesh, blamed a section of traders for the price hike, claiming that egg producers were selling their produce at the price fixed by the government.

"Corporates control only 15 per cent of the production of eggs while 85 per cent is controlled by farmers at the grassroots level across the country. So, it is not true that a syndicate controls the egg markets," he said.

Four crore eggs are produced around the country daily, he added.

He blamed a 28 per cent devaluation of the local currency against the US dollar and high import duties on feed, saying that more than 70 per cent of the ingredients for feed and medicine need to be imported.

Construction of Tk 2,000cr data centre begins

STAR BUSINESS REPORT

The construction works of Yotta Data Services' data centre in Bangabandhu Hi-Tech City, Kaliaokir has started recently.

"The piling work has already started and will take 3 years to complete," GSM Jafarullah, managing director of Bangladesh Hi-Tech Park Authority, told The Daily Star yesterday.

In a Facebook post yesterday, Zunaid Ahmed Palak, state minister for ICT, said Yotta Data Services, an arm of Indian conglomerate Hiranandani Group, would invest Tk 2,000 crore to build a tier-IV data centre.

The centre will be built on two hyper-scale data centre buildings, featuring 4,800 racks and 28.8MW IT power capacity.

Palak on Wednesday met with Niranjan Hiranandani, co-founder and managing director of Hiranandani Group, Darshan Hiranandani, co-founder of Yotta Data Services Pvt Ltd, and Sunil Gupta, co-founder & CEO of Yotta Data Services.

"Alongside updates on the establishment of the data centre, we discussed the importance of cyber security and cloud computing. We discussed technology-led consumer services in the areas of social media, AR/VR solutions, entertainment, gaming and e-sports and the pivotal role Bangladesh plays in assisting Hiranandani Group to grow its regional dominance in these areas."

"Together, we will strengthen the Indo-Bangladesh partnership by fostering digital inclusion and achieving Smart Bangladesh Vision 2041," Palak added.

Later, the Hiranandani Group arranged a presentation on various elements of the data sector. The digital data protection acts of both countries were also discussed.

Bangladesh Deputy High Commissioner in Mumbai Chiranjib Sarker, Counsellor Mahmudul Islam and Private Secretary to the State Minister Md Mushfiqur Rahman were present at the meetings.

Palak had a short visit to Mumbai on way to the G20 Digital Economy Working Group Ministers Meeting, to be held in Bengaluru.

He called upon leading Indian business groups to take advantage of the generous investment regime in Bangladesh and encouraged them to further invest in special economic zones and hi-tech parks in the country.

Saudi Arabia's oil exports fall

REUTERS

Saudi Arabia's crude oil exports fell for a third straight month in June to their lowest since September 2021, data from the Joint Organizations Data Initiative (JODI) showed on Wednesday, with big Asian buyers favouring cheaper Russian oil.

The kingdom's crude exports totalled 6.8 million barrels per day (bpd) in June, down about 1.8 percent from May's 6.93 million bpd.

Monthly export figures are provided by Riyadh and other members of the Organization of the Petroleum Exporting Countries (Opec) to the JODI, which publishes them on its website.

EBL's webinar on vision of Bangabandhu

STAR BUSINESS DESK

Eastern Bank Limited (EBL) yesterday organised a webinar titled "Father of the Nation Bangabandhu Sheikh Mujibur Rahman's Vision of a Developed Bangladesh", marking the 48th National Mourning Day.

Shirin Sharmin Chaudhury, speaker of the national parliament, attended the session as chief guest, while MA Mannan, minister for planning, attended as special guest, read a press release.

Md Showkat Ali Chowdhury, chairman of the bank, presided over the webinar, where Mir Nasir Hossain, Toufic Ahmad Choudhury and KM Tanjib-ul Alam, directors, and Ali Reza Iftekar, managing director and CEO, spoke.

Speakers paid heartfelt tributes to the visionary leader Bangabandhu Sheikh Mujibur Rahman and discussed his pivotal role in shaping the development trajectory of Bangladesh.



Shirin Sharmin Chaudhury, speaker of the national parliament, attends a webinar styled "Father of the Nation Bangabandhu Sheikh Mujibur Rahman's Vision of a Developed Bangladesh".

PHOTO: EASTERN BANK

BSEC urges bankers

FROM PAGE B1

participation in the stock market and attract more investors to the mutual fund sector.

Mizanur Rahman, another commissioner of the BSEC, said asset management companies and fund managers should invest through the

proper process and ensure investors' interests.

He also urged for proper reporting and following compliances.

"Fund managers should follow all the best practices in their operations," Rahman said while chairing the meeting.

continue to make progress from the previous situation," he said.

The three that crossed their ADR limit are Global Islami Bank, First Security Islami Bank and Union Bank.

The ADR is 87 percent for conventional banks and 92 percent for Islamic banks, as per the central bank regulations.

This means conventional banks will be able to disburse Tk 87 as loans against every Tk 100 deposit while Shariah-based banks Tk 92.

As of June 30, Global Islami Bank's deposits stood at Tk 11,774 crore while advances or investments Tk 12,084 crore. As a result, the lender's ADR stood at 99.53 percent, according to the BB data.

First Security Islami Bank's deposits stood at Tk 45,091 crore while advances or investments Tk 53,634 crore, meaning its ADR stood at 108.53 percent.

Union Bank's deposits stood at Tk 18,616 crore while advances Tk 23,400 crore. The bank's ADR stood at 101.87 percent.

Global Islami Bank's Managing Director Syed Habib Hasnat said the BB had asked them to bring down the ADR within the regulatory limit.

"We discussed how we can improve our financial health. However, we have already met the CRR and SLR shortfall," he said.

Islami Bank Bangladesh, First Security Islami Bank and Union Bank were yet to respond to phone calls and SMS sent from The Daily Star as of 9:00pm yesterday.

The five banks faced cash withdrawal pressure when loan irregularities of Islami Bank came to light after media reports last year.

The bank had approved Tk 7,246 crore in loans to nine companies that exist only on paper, as per the reports.

Crab exports recovering

FROM PAGE B1

As such, the General Administration of China Customs (GACC) slapped conditions regarding shipment of crabs and eel fish from Bangladesh.

Later, the fisheries office developed a surveillance system to reduce contamination in crabs, trained farmers in safe rearing practices and started testing consignments before clearing exports, officials said.

"We are now issuing certificates in line with standards of GACC. We are also training farmers and stakeholders to fulfill the requirements of Chinese authorities to promote exports," said Sujit Chatterjee, deputy director of fish inspection and quality control at the DoF.

He said exporters are now exporting crabs by complying with rules.

"They are also getting better prices and farmers are showing renewed

interest in rearing crab as it has become profitable. The mortality rate [of crabs produced] has also declined," he added.

Bangladesh shipped 12,558 tonnes of crabs, the highest quantity on record, in fiscal year 2014-15. Later exports of the sea creature began to decline, causing losses for many crab farmers in the coastal belt, particularly Khulna, Bagerhat and Sathkhira in the southwest region.

Shipments have recovered since fiscal year 2022-21 thanks to the resumption of exports to China after the second biggest economy granted permission to five local exporters.

The number of exporters that got permission from China is 14 now. Additionally, the applications of 18 firms are under review by the Chinese authority.

"We are receiving higher export

orders this year than the previous year," said Shakawat Hossain Sumon, general secretary of the Bangladesh Live and Chilled Food Exporters Association.

He said they export 90 percent of the crabs produced to China. "Thailand and Malaysia are the two other main destinations for us," he added.

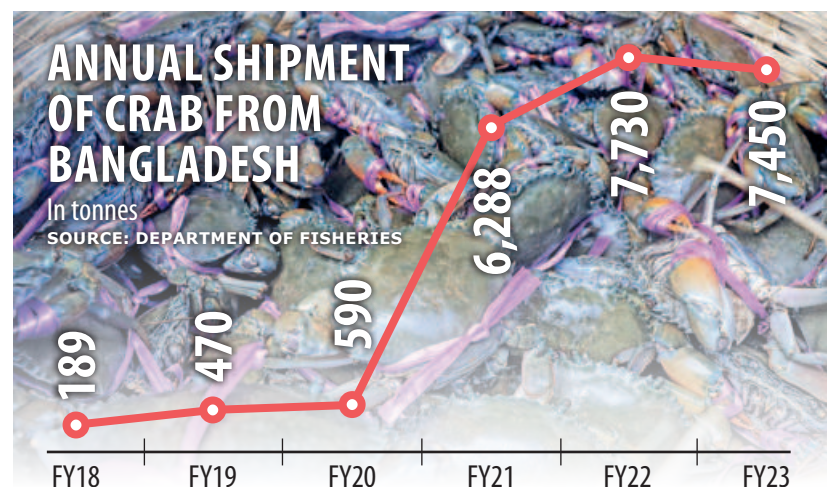
Crab is an expensive but popular food in China. At present, Bangladesh has to compete with exporters from Indonesia, Philippines, Myanmar and India in the Chinese market, Sumon said.

Jahidur Rahman Milton, a crab grower at Pankhali union in Dacope upazila of Khulna, which is near the country's biggest mangrove forest Sundarbans, said many farmers suspended rearing crabs after suffering losses resulting from the dip in exports, particularly in 2020 and 2021.

"But we saw demand for crab recovered sharply since last year. The buoyancy in demand and prices is continuing this year. We are receiving better prices too," he said, adding that he doubled the number of hatcheries to four this year from two the previous year.

"Many farmers in our area are preparing to resume crab farming this year," said Milton, who could return to black last year thanks to the resurgence in exports.

Generally, farmers rear small crabs caught from rivers and natural water bodies for nearly three months to December targeting the main sales season, January-March, when the Lunar New Year is celebrated in East and Southeast Asia, including China, he added.



Appollo Ispat drowning in loans

FROM PAGE B1

company was struggling to survive mainly due to embezzlement of funds by a former director in connivance with some officials.

Afterwards, the Appollo Ispat started failing to pay loan instalments and incurring losses, he added.

The company became listed with the stock market in 2013. It collected Tk 220 crore issuing 10 crore ordinary shares of Tk 10 each with Tk 22 as

premium per share.

Premium on stock is defined as the amount of extra money which the company's investors are ready to pay to the company for the purchase of the company's stock over its par value.

On the basis of the company's good performances, it won the premium and people rushed to buy its stock in 2013.

However, the stock investors of

the company are now in peril as their investments are stuck due to the absence of buyers.

Sponsors of the company hold 20 percent of the shares while 59 percent is held by general investors and 21 percent by institutional investors.

The company provided 3 percent stock dividend for its shareholders at the end of 2018. After that, it started incurring losses and was downgraded to junk category, that is Z.

Dhaka Bank to invest in digital bank

STAR BUSINESS REPORT

Hopping on the bandwagon with other conventional lenders that will establish digital banks, Dhaka Bank yesterday said it would invest Tk 12.5 crore to become a sponsor shareholder of a proposed digital bank.

The private bank disclosed to its shareholders that its board had decided to sponsor the proposed Shonchoy Digital Bank PLC and hold a 10 percent stake in the virtual bank, subject to regulatory approval.

Dhaka Bank is one of more than a dozen traditional brick-and-mortar banks that have announced plans to invest in establishing digital banks since the third week of June this year, when the central bank sought applications from prospective investors.

Ten banks have already formed a consortium to set up Digi10 Bank PLC.

Besides, Bank Asia and Brac Bank have also declared separate plans to be part of digital banks.

The deadline for the submission of applications ended yesterday.

Bangladesh, Denmark partner to ensure food safety

STAR BUSINESS REPORT

Denmark and Bangladesh have forged collaboration to strengthen their partnership for food safety and sustainable food production.

To this end, Bangladesh Food Safety Authority (BFSA) signed a memorandum of understanding (MoU) with Danish Veterinary and Food Administration (DVFA) at the food ministry office in Dhaka yesterday, said a press release.

The agreement aims to foster a strategic sector cooperation and enhance scientific, technical, and regulatory collaboration within food safety and sustainable food productions between the two nations, it said.

Through this partnership, both countries seek to collaborate on multiple initiatives that leverage their unique expertise, technologies, and resources to deliver innovative solutions for safe food and sustainable agriculture practices, it added.

READ MORE ON B2



About 88.52 million tonnes of different types of goods were imported through the Chattogram port in fiscal year 2022-23 at a total cost of Tk 4.62 lakh crore.

PHOTO: STAR/FILE

IMPORT THRU CTG PORT

What are the products with highest import costs?

MOHAMMAD SUMAN, Ctg

Bangladesh spent the highest, over Tk 10,000 crore, behind the import of each of nine products in fiscal year (FY) 2022-23 although some 4,788 types of goods enter through the Chattogram port.

The nine are cotton, diesel, scrap metal, furnace oil, palm oil, soybean, cement clinker, wheat and crude edible oil.

Such amounts were spent behind six products in the previous FY of 2021-22 whereas only two in FY 2013-14.

For the last 10 years, it had been mainly cotton, which is the garment industry's raw material, and diesel, a fuel necessary for the generation of electricity.

Cement clinker, wheat and crude edible oil made it to the top expenditure list in FY 2022-23 while the rest in FY 2021-22.

Although liquefied natural gas (LNG) had been on the list in FY 2019-20 and 2020-21, it dropped out in the last two years.

All in all, 88.52 million tonnes of different types goods were imported through the Chattogram port in fiscal year 2022-23 at a total cost of Tk 4.62 lakh crore.

Out of this, the nine accounted for 37 million tonnes worth Tk 1.61 lakh crore. That means about 33 percent of the total import expenditure was behind the nine.

Traders said such amounts were being spent to bring over an increasing variety of goods for price hikes in the global market, increasing local demand, high dependence on imports and a decrease in the value of the taka against the dollar.

"Bangladesh is dependent on the import of almost all these products," Moinul Islam, a former professor of economics at the University of Chattogram, told The Daily Star.

"Production of wheat in our country is close to 15 percent of the total demand...

although mustard seed is produced in the country and can act as an alternative to palm or soybean oil, it can meet very little demand," he said.

"We have not been able to increase renewable energy generation capacity to 1,000 megawatts. As a result, most of the demand for electricity have to be met through fuel oil imports. So, most of the money is spent in this sector," he said.

The nine products each with Tk 10,000 crore import cost are cotton, diesel, scrap metal, furnace oil, palm oil, soybean, cement clinker, wheat and crude edible oil

"Considering all these, our expenditure behind these goods will continue to increase in the future," he added.

Analysing the past 10 years' data of Chattogram Custom House revealed that Tk 10,000 crore was spent behind the import of only two types of goods for the first five years from FY 2013-14.

Then in FY 2019-20 it was four and FY 2020-21 five.

According to the data, some of the highest amounts were spent behind importing cotton in the last 10 years.

About 14.21 lakh tonnes worth Tk 40,082 crore was imported in the last FY of 2022-23 whereas 15.09 lakh tonnes worth Tk 31,195 crore in FY 2021-22.

"The climate of our country is not suitable for cotton cultivation. As a result, 100 percent of the country's demand for cotton has to be met through import," said Syed Nazrul Islam, first vice president of the Bangladesh Garment

Manufacturers and Exporters Association.

After cotton, diesel followed suit. About 45.55 lakh tonnes worth Tk 27,380 crore were imported in FY 2022-23 whereas 34.46 lakh tonnes worth Tk 14,392 crore in FY 2021-22.

"A large part of our import expenditure is spent on fuel oil. Focus on renewable energy was needed to reduce fuel oil import costs. But it was not seen in the last decade," said Moinul Islam.

"If you pay attention now, it will take five to six years to have an effect. As a result, there is no opportunity to reduce import costs in this sector very soon," he added.

Meanwhile, Tk 20,689 crore was spent importing 42 lakh tonnes of scrap metal in FY 2022-23, Tk 15,921 crore for 33.43 lakh tonnes of furnace oil, Tk 14,027 crore for 12.7 lakh tonnes of palm oil and Tk 11,304 crore for 17.7 million tonnes of cement clinker.

Besides, Tk 11,099 crore was spent importing wheat, Tk 1,11,090 crore soybean and Tk 10,011 crore crude edible oil.

"About 80-85 percent of the country's wheat and edible oil needs are met with imports. Being an essential product, it is in high demand all over the world," said Abul Bashar Chowdhury, chairman of BSM Group, one of the importers of food products.

"The cost of imports has also increased as the prices of these products in the international market has been on an upward trend for the last few years," he said.

He said wheat cultivation started in Bangladesh around the 1990s. Earlier there was not much wheat cultivation. Farmers are more interested in paddy production than wheat as wheat is more affected by rains than paddy, he said.

Moreover, if wheat cultivation increases, rice cultivation will decrease as both are produced in the same season, he pointed out.

The hard-to-read bosses

MAHTAB UDDIN AHMED

A top executive was once giving a speech at a conference. He said, "Ladies and gentlemen, let me share some of the secrets behind my success. But before I do that, I need to make a disclaimer. Everything I'm about to say is only half true. The other half is either false or incomplete. So, please don't take my words at face value. Instead, use your judgment and intuition to determine which part is true and which part is not". Stunned and confused, the audience wondered, "What's the point of listening to him if he's not even telling the whole truth?" With a smile, the executive nodded and said, "That's the first secret of my success: always keep them guessing."

In my long career, I had the misfortune to come across one such leader as my boss. According to a survey by GoodFire in the US, 36 percent of employees said their boss is dishonest or untrustworthy, and 31 percent said that their boss is secretive or withholding information. This shows that many workers do not trust their bosses or believe they are not transparent or honest with them.

It is often found that such leaders tend to hide or distort the truth and may lie or manipulate others for their personal interests. Their employees may be unfairly or unprofessionally treated because of impact, which has a ripple effect on their mental well-being and career prospects.

Such bosses are generally poor listeners and lousy team players, as they do not value the opinions or feelings of others. Needless to say, they are selfish, indifferent to the benefits of their colleagues and subordinates. Their dominant trait being secretive;



they can go to extensive lengths to protect their own interests, including lying, deceiving, breaking promises and betraying their closest allies.

When one is faced with such a boss or leader, he/she is bound to feel frustrated and almost trapped in the job.

But we are also familiar with the smart alecks who seem to know how to decode the ambiguity

surrounding such bosses. In fact, one may adopt specific strategies to cope in such a situation, such as detecting the boss's motivations, focusing on how to solve the problem instead of dwelling too much on the problem itself, choosing words carefully when in conversation with the boss, keeping a record of communications, and (as a last resort) seeking support from others and escalating the issue if needed.

Laughter is the best medicine. One should try to find some humour in the boss's behaviour to help reduce the stress and, at the same time, bond with those who are enduring the same suffering. When the boss tells you this is the fifth time you are late, you should smile and tell yourself it is almost the weekend!

There are also stoic, rational workers who may even manage to reap benefits from working under such adverse leaders. They can master the skills to cope with stress, ambiguity, and uncertainties. They can learn the dynamics of risk-taking, which can benefit the organisation too. In the absence or lack of guidance and validation from the boss, they may develop better self-confidence and self-reliance and may also become more resilient and adaptable, being able to take on the various challenges and obstacles thrown by their boss.

The answer to whether it is worth working under such a boss or leader lies in one's personal goals and circumstances. It is important to weigh the pros and cons carefully and decide what is best for you.

To the bosses who are reading this and squinting at the mirror, my advice is, please wear the coat of transparency to work for - "The currency of leadership is transparency. There are moments where you have to share your soul and conscience with people and show them who you are and not be afraid of it." - Howard Schultz

The write is founder and managing director of BuildCon Consultancies Ltd

India may import wheat from Russia at discount

REUTERS, New Delhi/Mumbai

India is in talks with Russia to import wheat at a discount to surging global prices in a rare move to boost supplies and curb food inflation ahead of state and national elections next year, according to four sources.

The imports would allow New Delhi to intervene more effectively in the market to drive down wheat prices that stoked inflation to a 15-month high in July.

"The government is exploring the possibility of imports through private trade and government-to-government deals. The decision will be made cautiously," one of the sources told Reuters, when asked about wheat imports from Russia.

India has not imported wheat through diplomatic deals in years. The last time India imported a significant amount of wheat was in 2017, when private traders shipped in 5.3 million metric tons.

The government's plan to import Russian wheat is one of the supply-side measures being considered to bring down prices of key commodities like fuel, cereals and pulse along with an extension of rural schemes to ease the impact of inflation on the poor, two of the sources with knowledge of the matter said.

Sources did not want to be named as the discussions are private and the final decision might be weeks away. India's finance, trade and government spokespersons did not reply to emails and messages seeking comment.

Last month, Sanjeev Chopra, the most senior civil servant at the federal food ministry, said there was no proposal to import wheat from Russia.

How bad is China's property crisis?

REUTERS, Hong Kong

The debt crisis at Country Garden, China's largest property developer before this year and once considered a financially sound company, has triggered fresh contagion fears just two years after China Evergrande Group defaulted.

Since the sector's debt crisis unfolded in mid-2021, companies accounting for 40 percent of Chinese home sales have defaulted, most of them private property developers.

It has led to many unfinished homes, unpaid suppliers and creditors who are not only financial institutions but also ordinary folks who bought wealth management products linked to trust financing.

Many offshore bonds now trade at low double- or even single-digit cents on the dollar, and their share values have shrunk 90 percent. There is very little liquidity left in both the equity and debt markets as investors and creditors avoid the sector.

With home sales already very weak, the debt crisis could delay the prospect of a recovery of both the property market and the broader Chinese economy, in which real estate is a core pillar.

S&P Global Rating said on Wednesday

it could adjust its forecast for property sales to a "descending staircase" figure from an "L" shaped recovery, if Country Garden officially defaulted.

Homebuyers could become even more wary of private developer brands, and home prices in many areas

could come under greater pressure if Country Garden resorted to fire sales to raise cash.

Local government could tighten more the escrow accounts where presale funds are kept in order to ensure homes can be completed and delivered - a top

priority set by Beijing.

These would in turn squeeze the sector more and lead to additional defaults even among state-backed developers.

Country Garden's quick slip into financial trouble did not shock the market as much as Evergrande's because most private developers had already defaulted. However, it emerged when the property market and the economy are in much worse shape.

While Country Garden's total liabilities of 1.4 trillion yuan (\$191.7 billion) are only 59 percent as big as those at Evergrande, the world's most indebted developer, it has 3,121 projects across all China's provinces, compared to around 800 for Evergrande.

Evergrande was already insolvent at the time of default, but Country Garden currently still has more assets than liabilities. Analysts warn that Country Garden could become insolvent if it had to write off large inventories and run into negative equity if its asset values dropped over time.

This week, news of missed payments on investment products by leading trust firm Zhongrong International Trust Co highlighted the outsized exposure of China's \$3 trillion shadow banking sector to the property sector.



Residential buildings by Chinese developer Country Garden are under construction in Beijing.

PHOTO: AFP