

Genex Infosys, Navana Pharma, Aramit to invest in digital bank

STAR BUSINESS REPORT

Genex Infosys Ltd, Navana Pharmaceuticals Ltd and Aramit Ltd have decided to invest in the proposed digital bank UPAY Digital Bank PLC.

The boards of the three companies made the decisions of the investment recently, they said in separate disclosures on the Dhaka Stock Exchange yesterday.

Genex Infosys, an outsourcing solutions and services provider, has decided to invest Tk 12.50 crore in the proposed digital bank as a sponsor shareholder subject to the approval from regulatory authorities.

The proposed digital bank's paid-up capital is Tk 125 crore. So, the company will hold a 10 percent stake in the bank.

Aramit, a cement manufacturer, has decided to invest Tk 6.25 crore and will hold 5 percent of the total shares of UPAY Digital Bank.

Navana Pharmaceuticals will invest Tk 7.50 crore and control a 6 percent stake.

MetLife settles Tk 1,537cr claims in first half

STAR BUSINESS REPORT

Life insurer MetLife Bangladesh has settled Tk 1,537 crore worth of claims in the first six months of this year.

The amount includes the money customers received as insurance benefits and claims for loss of life and medical needs, MetLife said in a press release yesterday.

The insurance company said MetLife's customers enjoy the best claim settlement experience as they can submit their claim requests online and receive claimed money within three to five working days.

"MetLife is continuously investing in building a robust insurance infrastructure, which is helping our customers to get various services, including receiving claims faster and without any hassles," said Ala Ahmad, chief executive officer of MetLife Bangladesh.

Receiving claims without any delay is one of the most important experiences for customers and it contributes to strengthening trust in the insurance sector, he said.



High poultry feed prices are one of three factors which farmers attribute to a recent rise in the cost of eggs and broiler chicken. The photo was taken from Barishal city yesterday.

PHOTO: TITU DAS

Ingredients cheaper but poultry feed prices still high

SUKANTA HALDER

International market prices of poultry feed ingredients had dropped in the second quarter of this calendar year, yet locally produced feed has turned anything but cheap.

High poultry feed prices are one of three factors which farmers attribute to a recent rise in the cost of egg and broiler chicken -- the main sources of protein for middle and lower-income groups.

Broiler chicken turned Tk 10 costlier within a span of three days, reaching Tk 180 per kilogramme in Dhaka on August 12.

Meanwhile, brown eggs followed suit, costing Tk 20 more per dozen and the same as a kg of broiler chicken, according to state-run Trading Corporation of Bangladesh.

The other two factors blamed are a fall in egg production and market manipulation by a section of unscrupulous middlemen.

Daily egg production dropped by around 10 lakh to 3.9 crore in August for inclement weather and disease, among others, according to Bangladesh Poultry Industries Central Council.

The feed produced for poultry in the country is made out of maize, soybean meal, rice polish and poultry meal, almost 70 percent of which have to be imported.

Globally soybean meal sold at \$519 per tonne in the April-June period of the current calendar year, down 4.94 percent year-on-year, according to World Bank data on commodity prices.

Meanwhile, maize sold at \$275 per tonne, registering a 19.59 percent drop year-on-year. However, only maize was found to be



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cheaper by the Feed Industries Association of Bangladesh (FIAB), which represents the country's feed millers who cater to an annual demand for roughly 75 lakh tonnes to 80 lakh tonnes of feed.

According to the association, maize prices had gone down 15 percent but soybean meal soared 20 percent.

Feed prices could not be reduced for other factors too, such as a rise in the exchange rate between taka and the US dollar and freight charges remaining higher than pre-pandemic rates, said the feed traders.

The value of the US dollar had indeed gone up 26 per cent year-on-year in January.

However, charges of freight from South America, from where Bangladesh gets a

portion of the feed ingredients, dropped 50 percent to 60 percent year-on-year last June, according to senior shipping agent officials.

The on the ground reality is that the price of every 50 kg sack of feed has gone up to Tk 3,400 from Tk 3,000 over the past year, according to poultry farmer Shakil Ahmed of Kalma union of Savar upazila in Dhaka.

He said nowadays he can barely make a monthly profit of Tk 10,000 whereas last year he was raking in Tk 40,000.

Considering the international market rates, it is possible for the millers to reduce feed prices by Tk 10 per kg, claimed Sumon Howlader, president of Bangladesh Poultry Association.

There is no duty on feed ingredient imports and so a price drop internationally should have had a ripple effect on the local market, according to an official of the Bangladesh Trade and Tariff Commission.

Local feed prices are relatively high, he added on requesting anonymity.

Though some 70 percent of the feed ingredients have to be imported, international price reductions were outweighed by the taka's depreciation and high freight costs, said Mohammad Nazrul Islam, general secretary of the FIAB.

There were other factors too such as an increase in local transportation costs, electricity and gas prices and employee wages, he claimed.

"Last year, poultry feed manufacturers and poultry farmers incurred a lot of losses (for similar reasons)," he said, adding that this year they were trying to recoup some of it.

Pension scheme: a timely move

MD SAMEER SATTAR

Universal Pension Scheme (UPS) is an opportune and pro-people move of the government looking to ensure inclusive and sustainable social safety net for the greater socio-economic development. The move will create a new era in the economic history of Bangladesh.

UPS offers four types of people-friendly packages -- Pragati, Surokkha, Samata and Prabashi -- targeting different communities, especially private sector employees, non-resident Bangladeshis, informal sector and low-income group of individuals.

This scheme can also bring in almost large number of people of the society under its net. The option of 50 percent contribution by the government to the insolvent depositors under the "Samata" scheme is a remarkable move.

In the given global economic meltdown and fiscal austerity, UPS will augment the financial flow in the economy. This scheme is expected to benefit the vulnerable citizens with social security, reducing poverty and social safety cost in national budget in future.

The initiative is result oriented and rewarding not only for the mass welfare but also for the best interests of the private sector.

The robust scheme is expected to rationalise the public sector bank borrowing and make new financing streams to meet the evolving fiscal needs of the government.

It may also help smoothen the private sector credit flow and reduce foreign borrowing to some extent, resulting in a hike of the investment-to-GDP ratio. Alongside, this may also help make the cost of fund for the private sector very competitive among different financing options.

The scheme is likely to support the huge number of employees working in conglomerates as well as micro, small and medium enterprises in the private sector. It will help retain jobs, increase the productivity of employees, and provide safety net to the elderlies.

Many economies such as the Netherlands, Denmark, Germany, Australia, India, Canada, Iceland and Switzerland have successfully implemented this sort of scheme to safeguard the welfare of their mass people. The replication of operational and safety learning from these countries may help the new scheme perform as a game-changer for our much-needed economic transformation.

Since the pension scheme is imperative to elevate the income of people for an inclusive economy, we emphasise competitive and secure return for its depositors, good governance and management of this public fund with a view to attracting people and accelerating this timely scheme in the long run.

The author is president of the Dhaka Chamber of Commerce & Industry

China moves to prop up stock market

REUTERS, Shanghai

China's securities regulator unveiled a package of measures on Friday aimed at reviving a sinking stock market, but investors said they would do little to boost confidence if the economy remains sluggish.

The China Securities Regulatory Commission (CSRC) proposed steps including cutting trading costs, supporting share buybacks and encouraging long-term investment to support a stock market that has slid to nine-month lows.

The regulator said it did not know if there would be a cut in stamp duty, a measure which has been discussed recently but which the CSRC said is beyond its power, falling within the remit of the Ministry of Finance.

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Crown Cement to buy fly ash from Matarbari power plant

STAR BUSINESS REPORT

Crown Cement PLC has decided to purchase fly ash from the Matarbari 2x600 MW Ultra Super Critical Coal Fired Power Plant to ensure smooth and regular production of cement.

The company will soon sign a joint venture consortium agreement (JVCA) with the power plant, Md Mozharul Islam, company secretary of Crown Cement, told The Daily Star.

Fly ash collected from the plant will be used as a raw material for cement production, which will help in decreasing import dependency and save transport cost, he said.

However, Islam did not say anything about when the deal will be signed and how much fly ash the company will purchase from the plant.

The joint venture deal will help Crown save a good amount of foreign exchange for sure, he said.

The company also plans to purchase a 245-decimal land adjacent to its Mukterpur factory premises in near future at a cost of Tk 14.7 crore, the company said in a posting on the website of the Dhaka Stock Exchange yesterday.

The land will be used for different purposes, including parking of transport vehicles and storing finished product or raw materials, Islam said. Each share of Crown was sold at Tk 74.4 yesterday at the DSE.

Mobile phones: A perfect platform for self-learning

According to BIDS study

STAR BUSINESS REPORT

The diverse functionality of mobile phones is enabling people in Bangladesh to access information from various virtual platforms and thereby educate themselves on just about any topic, reducing illiteracy rates in the process.

The transformative impact of mobile phones is evinced by how a 20-year-old homemaker in Pabna used her device to learn the craft of tailoring traditional women's clothing, according to Mohammad GN Mozumder, a research fellow at the Bangladesh Institute of Development Studies (BIDS).

Mozumder made this comment while presenting a recent study, styled "Mobile Phone: Skill, Communication & Sociation", which found that many people use their mobile phones for self-learning.

The paper was presented during a seminar at the BIDS office in Dhaka yesterday.

The study examines how disadvantaged segments of the population, namely those with little or

no formal education and a poor socio-economic background, use mobile phones in their everyday life.

Learning through mobile phones is self-propelled, albeit sometimes aided

by kin and friends.

So, it is a self-driven evolution, as many people are upskilling and reskilling themselves using mobile phones, which enable custom creations



The connection among youths, mobile phones and informal sector should be explored through research, said an expert.

PHOTO: STAR/FILE

channelling online ingenuity, the study shows.

With this backdrop, Mozumder said mobile phones create opportunities for self-advancement by providing much-needed support that helps realise a user's untapped potential.

For example, many women who never had any formal education are generating income by learning marketable skills through mobile phones.

It does not stop there though as some are even using their devices to learn new languages, such as English, Tamil, Hindi, Arabic and Urdu.

Besides, mobile phones facilitate payments for utility bills, insurance premiums, data packages and more while also allowing users to receive remittance through apps like bKash, Nagad, Rocket and MyCash.

Khorshed Alam, an associate professor of the mass communication and journalism department at the University of Dhaka, said the connection among youths, mobile phones and informal sector should be explored through research.