

ICB profit falls 46%

STAR BUSINESS REPORT

The Investment Corporation of Bangladesh (ICB) suffered a 46 percent year-on-year decline in profit to Tk 77.84 crore in the financial year that ended on June 30.

The profit stood at Tk 144.68 crore in the previous financial year, the state-owned company said in a disclosure on the Dhaka Stock Exchange.

Thus, the investment company reported earnings per share of Tk 0.92 for FY23 against Tk 1.71 in 2021-22.

The net asset value per share rose to Tk 53.34 from Tk 52.94 while the net operating cash flow per share increased to Tk 1.33 in FY23 from Tk 0.86 negative the previous year.

The EPS decreased owing to a fall in capital gains, fees, commission and service charges while the NOCFPS rose due to a decline in interest payments and payments against troubled debt restructurings, the filing said.

The board of the company recommended a 2.5 percent stock dividend for the last financial year.

Shares of ICB closed unchanged at Tk 87.60 on the DSE yesterday.

Power Grid Company suffers loss of Tk 626cr

STAR BUSINESS REPORT

The Power Grid Company of Bangladesh Ltd incurred a massive Tk 626.48 crore loss in the financial year that ended on June 30.

The state-run electricity network maintenance company made Tk 121.16 crore profit in the previous financial year, it said in a disclosure on the Dhaka Stock Exchange.

Thus, Power Grid Company reported basic earnings per share of Tk 8.79 negative for FY23 against Tk 1.70 in 2021-22.

The net asset value per share rose to Tk 159.47 in FY23 from Tk 133.24 a year ago while the net operating cash flow per share increased to Tk 16.11 from Tk 11.53.

The board of directors of the company recommended a 10 percent cash dividend for general shareholders for FY23.

Shares of Power Grid traded at Tk 52.40 on the DSE yesterday, unchanged from a day earlier.



Makeshift bamboo structures teeming with fish dominate the scene in the Sujanagar upazila of Pabna. Fishermen in areas such as Gaznar Beel have turned to drying their catch in order to preserve and sell them, especially ahead of winter when supply of fish across the nation is heightened.

PHOTO: AHMED HUMAYUN KABIR TOPU

Gaznar Beel fishers find big business in dried fish

AHMED HUMAYUN KABIR TOPU *from Pabna*

Gaznar Beel, one of the biggest water bodies in the Sujanagar upazila of Pabna, has become a thriving breeding ground for a variety of fish, bringing smiles to the faces of fishermen in the locality.

A beel is a lake-like wetland with static water, which usually begins to recede ahead of winter.

Gaznar Beel covers an area of around 3,100 hectares but as water levels have been receding, fishermen have been netting a huge amount of fish.

However, most beels around the country have also begun to recede, leading to a surge in fish supply across the nation.

So, instead of trying their luck on the oversaturated local market, the fishermen in Gaznar Beel have turned to drying fish. And it is quickly becoming a big business.

"There is adequate fish supply in local markets as we have been netting a huge amount of fish from the water body in the past few weeks since water began receding. But due to lacklustre demand, we have to go for drying fish," said Md Abdul Karim, a fisherman of the Masjidpara village in Pabna's Sujanagar upazila.

Due to the huge supply of fish around the nation ahead of winter, most fishermen in the vast Gaznar Beel were found busy drying fish like Karim.

When visiting Masjidpara in the upazila headquarters, this correspondent found several hundred fishermen using makeshift bamboo structures to dry various small varieties of fish such as puti, shoil, taki, tengra and chanda.

"When water recedes, there is scope to net a huge number of puti fish and other smaller

varieties alongside big fish. Due to increased supply ahead of winter, a huge amount of smaller unsold fish were spoiled a few years ago. But now unsold fish are dried and that provides a big boost to fishermen in Gaznar Beel," Karim added.

Not only in Masjidpara, there are several hundred such bamboo structures available throughout the Sujanagar upazila.

"Each maund (37 kilogrammes) of small dried fish, such as puti, is sold for Tk 5,500-6,000 in the Sayedpur wholesale market, which presents a big opportunity to utilise unsold fish," said Md Nizam Uddin, a dried fish trader

"Each maund (37 kilogrammes) of small dried fish, such as puti, is sold for Tk 5,500-6,000 in the Sayedpur wholesale market, which presents a big opportunity to utilise unsold fish," Md Nizam Uddin, a dried fish trader, said.

However, profits have been affected by an increase in the cost of production, owing mainly to higher labour costs.

"The cost of production for each maund of dried fish was around Tk 4,500 last year but has gone past Tk 5,000 now due to excessive labour cost. So we are getting poor profit this year," Nizam added.

Yet, despite the downturn in profit, fishermen were excited by the prospect of increasing production.

According to them, approximately 500-600 tonnes of dried fish will be produced in Gaznar Beel this year.

Speaking to The Daily Star, Sujanagar upazila fishery officer Nur Kazmeri Zaman Khan said fish production increased this year due to a fishing ban that provided room for fish to breed.

"Fishing was mostly banned in October to allow hilsa fish to breed. At that time, Gaznar Beel was full of water so local varieties of fish also got breeding opportunities. That has led to the huge number of fish in the vast water body," Zaman said.

He added that, according to local fishermen, fish production had reached a 15-year high in Gaznar Beel this year.

However, he conceded that they had no actual figures about fish production in the area.

Despite the rise in output, dried fish traders said they needed financial support to strengthen the business in the region.

"Although there is sufficient fish supply in the local market and we have the opportunity to dry a large amount of fish, we do not get enough financial support for that," Karim lamented.

He added that since fish supply across the country was heightened, demand for dried fish in the wholesale market had yet to increase. As such, Karim believed he would have to wait for months to get a decent profit.

"We are producing dried fish after borrowing money but we cannot sell them at our expected price so we are facing a loss. If we get financial support, the dried fish business can be more profitable for fishermen in Gaznar beel," fish trader Nizam said.

However, Zaman said that the local authority was happy to lend a hand. "If they need financial support, we will help them," he said.

What went wrong with data play?

MAHTAB UDDIN AHMED

Fed up being obese, Shrek decides to lose weight. He switches to a healthy diet and works out every day, feeling amazed at how well he adapted to his new lifestyle. After a few weeks, he steps on the scale, and to his distress, finds himself five pounds plus! "I don't understand," he says to his doctor. "I've been doing everything right."

The doctor smiles and says, "Well, you've certainly been targeting your goal, but it was probably not the right way." We have all been through this experience where we target something but achieve something opposite.

In the last 12 years, the Bangladesh Telecommunication Regulatory Commission (BTRC) has introduced several new technologies focusing on data play. 3G, 4G and 5G were launched in 2013, 2018, and 2022, respectively.

Even the spectrum auctioned were mostly for data play. Spectrum prices and terms are made attractive for operators to purchase and improve the quality of service with a clear focus on data. Such a strategy of the BTRC should have directly impacted the voice revenue of operators, as has been the case with other countries.

This theory, however, is not working in Bangladesh like Shrek's weight loss story. The last four years' figures still suggest some growth in voice revenue. At best, it was flat and no sign of reduction.

The data revenue share of the total market revenue, however, increased from 25 percent in 2019 to 33 percent in 2022, an insignificant increase considering the resources and efforts invested for the purpose and also in comparison with regional countries.

Robi, the telco I worked for, went on a single-minded focus for data play during the 4G launch, with a decision in 2018 to sunset the 3G technology by 2022. This strategy gave the operator a leading edge in data play, making it a challenge for other operators to match in the future. Robi's data share has also been higher than the market average during the period.

Data play is considered more investment intensive and competitive for telecom operators as data can be used for various purposes such as browsing, streaming, gaming and social media. On the other hand, voice play is increasingly losing popularity and relevance, with users having alternative methods of communication, such as VoIP, video calls and instant messaging through data.

Reasons for not having pure data play at the cost of voice include regulatory price protection for voice, giving operators a milking opportunity and explaining why most operators are delaying the conversion of 2G and 3G spectrum for voice to data. Consumer taxes for data and voice are the same without focusing on data. A failed device policy and the low digital literacy, including language barriers among some population segments, maybe the other reasons.

Given the aforementioned consequences, our regulators may consider giving a deadline to operators to sunset 3G and use the spectrum for 4G. A policy to drive 4G device penetration to nearly 100 percent, like in India should be enforced.

According to GSMA, great content is nothing without high-speed networks. Bangladesh has 95 percent coverage of 4G but only around 50 percent smartphone penetration. A Daily Star report suggests that the production of 4G smartphones plummeted by over 61 percent in the first quarter of 2023. Price protection for voice should be removed, allowing the market to determine the price instead.

The National Board of Revenue should seriously consider slashing consumer tax on data for wider affordability. Data plays a direct role in fintech, edutech, innovation, Smart Bangladesh vision and, most importantly, socio-economic development. Its importance must be weighed in the context of the opportunities being lost.

Bangladesh has fallen behind in the race against regional countries. But it is never too late to turn the tables around. A Smart Bangladesh can only be achieved if the above fundamentals are addressed and that time is now.

The author is founder and managing director of BuildCon Consultancies Ltd

Electronic fund transfer thru new BB software begins next week

STAR BUSINESS REPORT

Electronic fund transfers will be carried out through the Nikash-BEFTN software of the Bangladesh Automated Clearing House (BACH) instead of the Bangladesh Electronic Funds Transfer Network (BEFTN) from November 12.

The transactions in the local currency will be processed in three sessions: 12am to 11:59am, 12pm to 2:59pm, and 3pm to 11:59pm, said the central bank in a notice on Wednesday.

The credit and debit transactions will have to be performed separately and the return process will have to be completed within the next two sessions of an EFT settlement, it said.

Launched in 2011, the BEFTN was the country's first paperless electronic inter-bank funds transfer system.

It facilitates both credit and debit transactions as a lead over cheque-clearing system. The network can handle credit transfers such as payroll, foreign and domestic remittances, social security payments, company dividends, bill payments, corporate payments, government tax payments, social security payments, and person-to-person payments.

Similarly, the BEFTN accommodates debit transactions such as utility bill payments, insurance premium payments, club or association payments, and equated monthly instalment payments.

China slips back into deflation

AFP, Beijing

China slipped back into deflation in October, data showed Thursday, highlighting the work officials have in reviving still-sluggish demand in the world's number two economy.

The figures come after figures earlier in the week showed a forecast-busting bounce in imports that had lifted hopes the country's vast army of consumers were beginning to stir.

The consumer price index, the main gauge of inflation, fell 0.2 percent year-on-year, according to the National Bureau of Statistics.

Thursday's reading was twice as big as expected in a Bloomberg survey and marked a return to deflation, having recovered marginally in September and August from July's 0.3 percent drop.

NBS official Dong Lijuan said in a statement that the fall was linked to declining consumer demand following the mid-Autumn holiday, as well as other factors including a high supply of agricultural products.

While deflation suggests goods were cheaper, it poses a threat to the broader economy as consumers tend to postpone purchases in the hopes of further reductions.

A lack of demand can then force

companies to cut production, freeze hiring or lay off workers, and agree to new discounts to sell off their stocks -- dampening profitability even as costs remain the same.

Food, tobacco and alcohol prices recorded the largest falls in October, with the NBS saying pork in particular plunged 30.1 percent.

China experienced a short period of deflation at the end of 2020 and early 2021, largely because of a collapse in the price of pork, the most widely consumed meat in the country. Prior to that, the



People line up to weigh vegetables at a supermarket in Beijing. China's consumer price index, the main gauge of inflation, fell 0.2 percent year-on-year in October, according to the National Bureau of Statistics.

PHOTO: AFP/FILE