



Gold Tk 1,750 cheaper from today

STAR BUSINESS REPORT

Gold will be slightly cheaper from today as the Bangladesh Jewellers' Association (Bajus) yesterday decided to cut its prices.

The association cut gold prices by 1.5 percent to Tk 111,158 per bhoori (11.664 grammes) from the existing Tk 112,907 per bhoori, the highest in the history of Bangladesh.

The reduced rate will be effective from tomorrow, Bajus said in a statement.

The previous price of each bhoori of 22-carat gold ornaments was Tk 1.1 lakh.

Bajus said prices of pure gold have declined in the local market.

In July last year, the price of gold crossed the Tk 100,000 mark for the first time in Bangladesh.

Gold prices have risen significantly over the last couple of years, influenced by hikes in the international market and volatility in its supply in the domestic market.

Although Bangladesh does not import any significant quantity of gold, its prices are almost linked with international trends.

In Bangladesh, the annual demand for gold stands at between 20 and 40 tonnes.

Market monitoring to rein in hoarding will continue: Titu

STAR BUSINESS REPORT

State Minister for Commerce Ahsanul Islam Titu yesterday reiterated that market monitoring of essential commodities to stop illogical price manipulation and hoarding of basic goods will continue.

The state minister also said the supply of basic goods is adequate to serve consumers and there is no possibility of a shortage throughout Ramadan.

The market monitoring of essential commodities will continue to stop illogical price hikes of commodities through unscrupulous means, Titu said in a statement from the commerce ministry.

Retailers should maintain the sales receipts of essential commodities as a precautionary measure, the state minister said after visiting Park Bazar in Tangail.

In a view exchange meeting at the office of the Deputy Commissioner of Tangail, Titu, said the formation of a revised list of beneficiaries of subsidised goods sold by the state-owned Trading Corporation of Bangladesh (TCB) is underway.

He assured that the TCB goods will be sent to the designated beneficiaries one month ahead of the distribution time, the statement said.

Titu suggested the district administration facilitate the activities of small businesses so that local handicrafts can be developed for both the domestic and international markets.

He also suggested for making the best use of the local handicrafts of Tangail.

Members of parliament elected from other constituencies of Tangail district also spoke during the view exchange meeting, where senior government officials were present as well.

The government has been monitoring different markets in Dhaka and other districts to identify areas where essential commodity prices are being hiked abnormally.

This is because a section of unscrupulous traders is aiming to make hefty profits during Ramadan as the demand for such goods goes up during the month.

The government, along with the private sector businesses, have also taken measures for increasing the supply of goods in local markets so that consumers can buy them at affordable prices.

Lower LNG prices should boost gas demand

Executives say

REUTERS, Houston

Liquefied natural gas (LNG) prices have fallen about a third over the past nine months, propping up demand, which should tighten the LNG market in the near-term, executives said on Monday at the CERAWEEK energy conference.

LNG prices have tumbled as supplies have swelled. LNG for April delivery into northeast Asia was at \$8.60 per million British thermal units (mmBtu) last week, its lowest since April 2021.

Executives from companies including Chevron and trading firm Trafigura estimated that the decline in prices will likely spur greater demand, while Wael Sawan, the CEO of Shell, said demand is already increasing as a result of reduced prices.

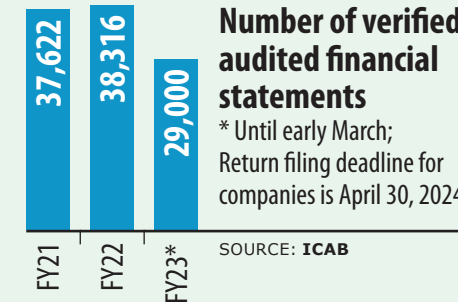
"It's a pretty trite thing to say, but low prices fix low prices," said Richard Holtum, global head of gas, power and renewables for trading firm Trafigura.

"Gas prices are so low here, it's a competitive advantage" he said.

Surging US gas supplies and low prices have led companies to propose several new LNG export plants. The flurry of new proposals in turn prompted US President Joe Biden's administration to pause its reviews of permits for the export plants, concerned so many new projects would undermine his pledge to cut US greenhouse gas emissions.

ICAB's steps to ensure authenticity of audited financial statements

- 2020 → ICAB developed document verification system
- 2020 → It teamed up with NBR
- 2020 → Signed deal with Financial Reporting Council
- 2021 → Inked MoU with Bangladesh Securities and Exchange Commission
- 2022 → Signed deals with Microcredit Regulatory Authority, Office of the Registrar of Joint Stock Companies and Firms, Association of Credit Rating Agencies of Bangladesh
- 2023 → Signed deal with Dhaka Stock Exchange



Firms becoming more transparent in financial statements

ICAB president tells The Daily Star

SOHEL PARVEZ

The use of the document verification system (DVS) has increased in Bangladesh in the last couple of years, plugging the scope for unruly firms to submit forged audit reports.

The number of audit reports signed by accountants by securing codes from the DVS rose by nearly 2 percent year-on-year to 38,316 in 2021-22 compared to a year prior, data from the Institute of Chartered Accountants of Bangladesh (ICAB) showed.

Chartered accountants signed 29,000 audit reports by securing document verification codes (DVCs) from the DVS in the last financial year.

"The issuance of DVCs is still going on. We expect the number to grow as the deadline for submissions of tax returns has been extended," said ICAB President Mohammed Forkan Uddin in an interview with The Daily Star recently.

DVS is an electronic method of validating the authenticity of audit reports.

In November 2020, the institute developed the DVS to curb the submission of fake audit reports after its 2,200-plus members teamed up with the National Board of Revenue (NBR) so that verified audited financial statements were submitted along with tax returns. In December of the same year, the NBR asked its field offices to use the DVS.

Later, the ICAB signed agreements with the Financial Reporting Council, the Bangladesh Bank, and the Bangladesh Securities and Exchange Commission so that they notify firms that financial statements without DVC will not be accepted by the regulators,

banks and other agencies.

The DVC is an 18-digit code, which the ICAB members generate and print to sign the audited financial statements providing five key financial data on the company, including profits, turnover, total assets and liability.

Regulators and tax offices can then use the DVS from the ICAB website using the DVC.

Forkan, a managing partner of M M Rahman & Co Chartered Accountants, said the quality of the financial statements has improved after the introduction of the DVS.



"Now, companies are at least preparing complete financial statements. Audits are becoming transparent. Companies are also becoming transparent because of the monitoring."

The objective of the DVS is to increase tax collections and tax returns filing by firms and help banks sanction loans based on authentic audited reports.

"It will, thus, reduce default loans and encourage foreign investments in Bangladesh. DVC is a revolutionary step taken by the NBR," Forkan said.

However, there are attempts from various vested corners to create obstacles against the use

of DVS on allegations that they are not getting audit reports for the delayed issuance of DVCs. The ICAB president described the allegations as baseless.

"It takes only three minutes to issue a DVC."

The problem, Forkan said, lies in the delay in preparing financial statements and getting ready the supporting documents by the companies.

"If all these are carried out smoothly, it does not take a long time to audit."

"An auditor can only audit when the financial statements and other documents are ready. So, companies need to prepare their statements on time."

According to Forkan, complaints are mainly coming from small companies, not bigger ones.

In the past, many smaller companies did not hire chartered accountants to perform audits. Rather, they used to create fake audit reports and submit them to regulators and other agencies.

"Now they can't do so. Since they can't do that, they are trying to slow the momentum of DVS."

He alleged that the allegations started to emerge after the scope to submit fake audit reports came to an end.

Forkan pointed out that the Bangladesh Bank earlier waived the requirement of DVC for small and medium enterprises when it came to bank loans. This is not a prudent decision.

"DVC is not a barrier to business. It is to ensure compliance," he said, adding that proper audit reports are necessary for understanding the financial base of a firm.

"If the audit report is fake, banks will not get back the loan. We think this should

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China company to invest \$28m in Bepza EZ

STAR BUSINESS REPORT

Dongfang Knitting (BD) Ltd, a Chinese company, will invest \$27.8 million to set up a sock manufacturing factory at the Bepza Economic Zone at Mirsarai in Chattogram.

The factory targets producing 216 million pairs of socks for men, women and children every year and it will create employment opportunities for 5,192 Bangladeshi workers.

Ali Reza Mazid, member for investment promotion at the Bangladesh Export Processing Zones Authority (Bepza), and Fang Zhendong, managing director of Dongfang Knitting (BD), signed an agreement in this regard at the Bepza Complex in Dhaka recently.

Major General Abul Kalam Mohammad Ziaur Rahman, Bepza executive chairman, gave assurances to provide all sorts of support to the Chinese company.

Forced labour generates \$236b illegal profits a year: ILO

STAR BUSINESS REPORT

Forced labour in the private economy generates \$236 billion in illegal profits per year, a new report from the International Labour Organization (ILO) has found.

The total amount of illegal profits from forced labour has risen by \$64 billion or 37 percent since 2014, it said.

This dramatic increase has been fuelled by both a growth in the number of people forced into labour, as well as higher profits generated from the exploitation of victims, according to a press release of the ILO.

The ILO report titled "Profits and Poverty: The economics of forced labour" estimated that the traffickers and criminals are generating close to \$10,000 per victim, up from \$8,269 (adjusted for inflation) a decade ago.

Total annual illegal profits from forced labour are highest in Europe and Central Asia at \$84 billion, followed by Asia and the Pacific at \$62 billion.

Yearly illegal profits from forced labour in the Americas is \$52 billion and in case of Africa, it is \$20 billion. For Arab states, the amount of illegal earnings by companies is \$18 billion, ILO said.

The report did not give any data of unlawful profits from forced labour made by companies in Bangladesh. When illegal profits are expressed per victim, annual illegal profits are highest in Europe and Central Asia, followed by the Arab states, the Americas, Africa and Asia and the Pacific, said ILO.

The organisation said forced commercial sexual exploitation accounts for more than two-thirds of the total illegal profits, despite accounting for only 27 percent of the total number of victims in privately imposed labour.

These numbers are explained by the huge difference in per victim profits between forced commercial sexual exploitation and other forms of non-state forced labour exploitation - \$27,252 profits per victim for the former against \$3,687 profits per victim for the latter.

After forced commercial sexual exploitation, the sector with the highest annual illegal profits from forced labour is industry followed by services, agriculture and domestic work.

These illegal profits are the wages that rightfully belong in the pockets of workers but instead remain in the hands of their exploiters, as a result of their coercive practices.

"Forced labour perpetuates cycles of poverty and exploitation and strikes at the heart of human dignity. We now know that the situation has only got worse. The international community must urgently come together to take action to end this injustice," said ILO Director General Gilbert F Houngbo.

Alphabet and Apple have cause to circle AI wagons



REUTERS, New York

The enemy of Alphabet's enemy may be its friend. The \$1.8 trillion search giant pays Apple billions of dollars to make its Google search engine the default option on the iPhone-maker's devices. That has helped maintain its dominance, but artificial intelligence threatens to flip the script. The two are now in talks over licensing Alphabet's AI models, Bloomberg reported on Monday. The value of their existing partnership offers Apple boss Tim Cook some handy leverage.

Over 2.2 billion devices run Apple's operating systems globally, and it was the top seller of smartphones last year, according to, research outfit IDC. That makes its search deal with Alphabet enormously valuable, since iPhones shuffle a huge volume of traffic to Google and its advertisers.

Cook's company got a cut of as much as \$20 billion in 2023 in return, Bernstein

analysts say. The risk is that users begin flocking to intelligent chatbots, like OpenAI's ChatGPT, in lieu of using Google search. Apple can't wedge in its own service, yet: Unlike Alphabet or Microsoft, which owns a stake in OpenAI, the company hasn't released its own offering.

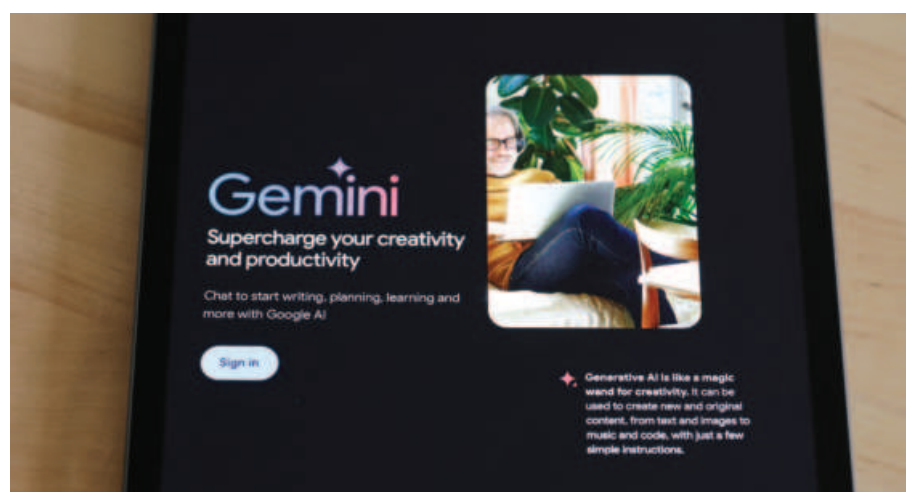
Analyst Ming-Chi Kuo of TF International Securities reckons, catching up will be costly, estimating that Apple will purchase up to 20,000 servers for AI initiatives this year. Based on current prices for Nvidia's coveted H100 chips, crucial to machine-learning efforts, that could cost nearly \$5 billion. Even that

would trail spending by rivals like Meta Platforms.

Apple and Alphabet both have a problem, then. Apple controls an enormously valuable contact point with users, but has no AI service to keep them ensnared. Alphabet's Google search, still the majority of its revenue, could lose a big audience. And its own AI effort, dubbed Gemini, has been off to a slow start, courting controversy over spitting out inaccurate images. Chatbot hype helped send Microsoft's stock up 13 percent in 2024, almost twice as much as Alphabet's.

A deal could solve both issues. And while Apple has also had talks with OpenAI, according to Bloomberg, it holds an advantage in negotiating with Alphabet, because Google has something to lose.

Antitrust enforcers are the most imposing hurdle. The two companies' existing partnership has come under attack in a lawsuit from the US Department of Justice, alleging that Alphabet pays Apple to gain an unfair advantage in search. The proposed deal makes so much sense for both technology behemoths that watchdogs might feel they have little choice but to intervene.



In this photo illustration, Gemini AI is seen on an iPad on March 18 in New York City. Apple announced that they are exploring a partnership with Google to license the Gemini AI-powered features on iPhones with iOS updates later this year. PHOTO: AFP