

## Janata Bank gets new DMD

STAR BUSINESS DESK

Janata Bank has promoted an official to the post of deputy managing director (DMD).

The official, Md Nurul Islam Mazumder, was serving the bank as a general manager, the bank said in a press release.

Mazumder started his banking career in Janata Bank as an assistant system analyst in 1999.

He was the chief of the information communication and technology division of the bank's head office.

He also worked at the Abu Dhabi branch of the bank in the United Arab Emirates.

Mazumder obtained his bachelor's and master's degrees in physics from the University of Chittagong.



## HeidelbergCement's sales drop, but profit rises

The company gives credit to fall in administration, distribution costs and selling expenses

### HeidelbergCement: by the numbers

(Jan-Mar of 2024)

- EPS Tk 6.96
- Total profit Tk 39cr
- Total revenue Tk 480cr
- Administrative cost reduced to Tk 16cr from Tk 18cr
- Selling expenses reduced to Tk 11cr from Tk 13cr
- Paid-up capital Tk 56.5cr
- Market capitalisation Tk 1,310cr
- Last trading price Tk 229.30



### YEAR-WISE DIVIDEND

2022 -	10%	2016 -	300%
2021 -	26%	2015 -	300%
2020 -	20%	2014 -	380%
2018 -	75%	2013 -	380%
2017 -	150%		



JAGARAN CHAKMA

HeidelbergCement Bangladesh posted a 1.6 percent rise in profits despite experiencing a 16 percent year-on-year drop in sales in the first three months of 2024 thanks to decreases in administration and distribution costs along with selling expenses.

The multinational company made a profit of Tk 39.32 crore in the January-March quarter of 2024, up from Tk 38.69 crore in the same period previous year, according to its unaudited financial statements published yesterday.

The Bangladesh chapter of the cement manufacturer sold Tk 486.83 crore worth of goods in the three months March to this year, which was Tk 583.2 crore in the same period previous year.

In the three months, the company's warehousing, distribution

and selling expenses reduced to Tk 10.71 crore in 2024, which was Tk 12.55 crore in the previous year.

Meanwhile, its administrative cost declined by 11 percent year-on-year to Tk 16 crore in the first quarter of the current year.

As a result, its earnings per share hit Tk 6.96 up from Tk 6.85 in the identical periods of two consecutive years, according to HeidelbergCement Bangladesh's disclosure shared on the website of the Dhaka Stock Exchange yesterday.

Its net asset value per share was Tk 74.16 as on March 31 of 2024, up from Tk 67.2 as on December 31 of 2023.

Heidelberg's shares ended yesterday at Tk 229.3 yesterday, posting a 1.12 percent fall from the previous day.

In 1998, HeidelbergCement Group entered Bangladesh by

setting up a floating terminal with onboard packing facilities in the port of Chattogram and by distributing the cement to the key markets of Dhaka and Chattogram.

In 1999, the Group further strengthened its position in Bangladesh and built a greenfield manufacturing plant near Dhaka named 'Scan Cement International' with an installed capacity of 0.75 million tonnes per year.

In 2000, HeidelbergCement Group bought a minority position in a Chattogram-based company named 'Chittagong Cement Clinker Grinding Co. Limited' and later quickly acquired its controlling stake.

In 2003, the company's name was changed to HeidelbergCement Bangladesh. Now the annual production capacity of the company stands at 24 lakh tonnes.

## Singer incurs losses in Q1

STAR BUSINESS REPORT

Singer Bangladesh Ltd, one of the leading home appliance makers in the country, said it suffered a loss of Tk 2.1 crore in the first quarter of the financial year 2024 due to surging finance costs.

The company said its finance costs increased by 44.7 percent in the January-March period of the current financial year due to elevated borrowing costs as a consequence of increased interest rates.

The average interest rate has increased more than 3.5 percent compared to the same period last year, it said.

The listed company recorded a profit of Tk 11.2 crore in the same period in the previous year.

Singer said it sold Tk 400 crore worth of electronics in January-March, which represented a 7.3 percent year-on-year increase. Gross profit increased to Tk 101 crore from Tk 99.8 crore year-on-year, an increase of 1.7 percent.

During the reporting period, the cost of sales increased, driven by the devaluation of the local currency, taka, against the US dollar and the increase in sales of trade goods, it said.

It said due to the minimum tax provision, the company is required to make a provision for Tk 2.41 crore as minimum tax impact.

"However, the effective tax rate in the current quarter is expected to decrease considerably and improve in the coming quarters," said Singer, whose losses per share reached Tk. 0.21 in the January-March quarter.

Singer's shares closed at Tk 138.40 yesterday on the Dhaka Stock Exchange, down 1.21 percent from the previous day.

## Gold extends slide

REUTERS

Gold prices fell for a third consecutive session on Wednesday, partly weighed down by hedge funds' reductions amid easing concerns of a major escalation of the Middle East crisis, while investors awaited key US economic data later this week for interest rate clues.

Spot gold fell 0.3 percent to \$2,314.95 per ounce by 1001 GMT, after having hit its lowest since April 5 in the previous session. US gold futures fell 0.6 percent at \$2,328.40.

Part of the reason that prices are coming off is that hedge funds have reduced their allocation for gold, while some of the tensions in the Middle East have faded a bit in recent days, UBS analyst Giovanni Staunovo said. The US dollar regained some ground on Wednesday while benchmark Treasury yields also rose, making the dollar-priced bullion less attractive for other currency holders and as an investment option compared with debt.

Gold prices have dropped over 3 percent since the start of this week.

However, strong demand from Asia, primarily China, along with the desire of central banks in emerging markets to diversify more in gold, is preventing prices from falling further, Staunovo said.

Spot gold may retest resistance at \$2,336 per ounce as it managed to stabilize around key support at \$2,311, according to Reuters' technical analyst Wang Tao.

Investors are now looking forward to the US gross domestic product data due on Thursday and the Personal Consumption Expenditures report due on Friday for fresh clues on the Federal Reserve's rate trajectory.

In other precious metals, spot silver fell 0.5 percent to \$27.13 per ounce.

## EU's new supply chain law

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CSDDD ensures that the EU will take proper steps and hold both supplying companies and importing companies responsible.

What does the law mean for Bangladesh?

In some cases, Bangladesh is ready to comply with the CSDDD. However, there are areas where the country needs to improve to meet the standards.

For example, Bangladesh is a global champion in green factories, with 215 such units already operational and another 500 in the pipeline, which indicates the country has done a commendable job in protecting the environment.

However, Bangladesh will have to ratify 32 United Nations conventions, including four core conventions on human rights, labour rights, good governance and environmental protection.

Bangladesh has ratified all of the core conventions of the International Labor Organisation as per the commitment made in the National Action Plan.

Another area where the country is still lagging is in terms of reducing carbon emissions, with nearly 95 percent of the country's exporters dependent on fossil fuels. They will have to switch to renewable sources of energy as per the CSDDD.

European buyers of Fakir Apparels Ltd, a garment factory in Narayanganj, have already asked the supplier to move towards renewable energy and reduce carbon emissions by 50 percent by 2030.

"We are getting ready

to switch to renewables, but it requires a lot of investments," said Bakhtiar Uddin Ahmed, chief operating officer of Fakir Apparels. Fakir Apparels, which supplies 95 percent of its products worth \$160 million to Europe annually, is also preparing to use recycled yarn and new technologies to comply with the law, he said.

In Bangladesh, labour rights are still being questioned as living wages have not been introduced and workers are still facing challenges in forming unions in factories because of stringent conditions in the labour law.

Md Towhidur Rahman, president of the Bangladesh Apparels Workers Federation, said Bangladesh has improved labour rights by ratifying the core ILO conventions.

However, the law implementation in the areas of decent working conditions, collective bargaining, and living wages could pose a challenge since they are at the heart of the new law, he said.

He suggested a gradual implementation of the law to ensure that all parties, including suppliers, importers and workers are satisfied and the industry is not damaged.

"Owing to Bangladesh's higher production capacity and the readiness for the law, we may not face a loss of work orders due to the new law," said Mohammad Hatem, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association.

He, however, warns that

if buyers do not pay ethical prices to suppliers, it will be a one-sided and ineffective law, as it will increase the cost of business.

According to experts, the protection of the environment as well as human and labour rights is necessary. Likewise, it is also important to safeguard both exporters and importers.

The strict implementation of the new law may bring positive changes to the global supply chain, but the new law needs to be implemented equally for all countries, they say.

In a press release, Aruna Kashyap, associate director on corporate accountability at Human Rights Watch, said: "The 11th anniversary of the Rana Plaza disaster is a somber reminder of why a due diligence law is long overdue."

The European Parliament's vote sends a strong message that the EU should no longer let large corporations get away with human rights and environmental abuses."

However, the new law is a watered-down version. The Belgian government, which holds the rotating presidency of the EU Council, thrashed out a compromise that limits the number of companies expected to comply. The new agreement applies to companies with more than 1,000 employees, up from 500, and a net turnover of 450 million euros—triple the amount previously agreed.

Environmental groups estimate the changes will exclude 70 percent of the companies the law was meant to cover.

## US business activity cools

REUTERS

US business activity cooled in April to a four-month low due to weaker demand, while rates of inflation eased slightly even as input prices rose sharply, suggesting some possible relief ahead as the Federal Reserve looks for signs that the economy is ebbing enough to bring inflation down further.

S&P Global said on Tuesday that its flash US Composite PMI Output Index, which tracks the manufacturing and services sectors, fell to 50.9 this month from 52.1 in March. A reading above 50 indicates expansion in the private sector.

The slowdown reflected weaker rates of growth in both the manufacturing and services sectors, with activity easing to three- and five-month lows, respectively. That in turn meant employment, which the Fed is watching closely for indications of a drop off, fell for the first time since June 2020, with the reduction focused on services.

The survey suggested that the economy lost momentum at the beginning of the second quarter compared to the January-March quarter. According to a Reuters survey of economists, GDP likely increased at a 2.4 percent annualized rate last quarter.

The United States continues to outperform its global peers, despite 525 basis points worth of interest rate hikes from the Federal Reserve since March 2022 to tame inflation. The Fed has recently been spooked by a string of stronger-than-expected inflation and employment readings, which suggested its fight to bring inflation back down to the central bank's 2 percent target rate has stalled or even reversed.

The Fed meets next week and is expected to leave its policy rate unchanged in the current 5.25 percent-5.50 percent range. Last week, a chorus of Fed officials backed away from signaling at least one rate cut this year, instead saying only that recent data meant monetary policy needs to be restrictive for longer.

The S&P Global survey's measure of new orders received by private businesses dropped to 48.4 from 51.7 in March, the first decline in six months, while its measure of prices paid for inputs declined to 56.5, off the six-month high of 58.7 reached in March but still a solid rate.

its managing director, Shameem Ahsan.

"Five years ago, our tax contribution was Tk 1 crore, with employees contributing Tk 15 lakh. Our contribution has grown by 300 percent due to the tax benefits," he said.

"Therefore, if another 5 years of exemptions continue along with a 5 percent corporate tax rate in the subsequent 5 years,

we are projected to grow and contribute Tk 100 crore to the government's exchequer," said Ahsan, also a former president of the BASIS.

Samira Zuberi Himika, vice president of the BASIS, said associations of tech companies were willing to digitalise all processes of tax collections of the NBR for free, helping the country to collect more revenue.

## Many tech startups to collapse

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"But according to our estimates, more than 5,000 small entrepreneurs are collectively earning up to Tk 1,000 crore in profits annually, from which the government stands to collect a maximum of Tk 300 crore if the tax exemption is withdrawn," he said.

"So, the collection of the NBR from the sector will be significant, but the blow

to the companies would be devastating," he said.

Snehasish Barua, partner at Snehasish Mahmud & Co, said the sector was still evolving.

"Its growth will slow down if the exemption is withdrawn, delaying the realisation of 'Smart Bangladesh'," he said.

"The companies will need to maintain compliance with tax requiring huge

administrative costs which can be significantly higher than actual tax liability. Tax along with tax compliance cost may result in closure of many businesses," he added.

In spite of the exemptions, e-Generation, a leading IT company, pays different forms of tax and VAT amounting to Tk 3 crore per year while employees pay Tk 50 lakh in income tax, said

**গণপ্রজাতন্ত্রী বাংলাদেশ সরকার**  
নির্বাহী প্রকৌশলীর কার্যালয়, সওজ  
সড়ক বিভাগ, কুষ্টিয়া

**সেতুর ইজারা কোটেশন আহবান বিজ্ঞপ্তি (৭ম আহ্বান সংশোধন)**

০১।	ইজারা কোটেশন নং	০১/টোল/কেইউআরডি/২০২৩-২০২৪ (৭ম আহ্বান সংশোধন)
০২।	ইজারার বিবরণ	কুষ্টিয়া সড়ক বিভাগের অধীন কুষ্টিয়া-রাজবাড়ী সড়কের ৮ম কিলোমিটারে অবস্থিত সৈয়দ মাছ-উদ-ক্রমী সেতুর টোল আদায়ের জন্য ইজারা প্রদান কাজ।
০৩।	ইজারা চুক্তির মেয়াদ	৩ (তিন) অর্থ বৎসর (১০৯৫ দিন)।
০৪।	ইজারা কোটেশনের সিডিউল মূল্য	টাকা ৫০০০.০০ (পাঁচ হাজার টাকা মাত্র)।
০৫।	কোটেশন জামানতের টাকার পরিমাণ	উদ্ধৃত মূল্যের ১০% (শতকরা দশ ভাগ) ব্যাংক ড্রাফট/পে-অর্ডার আকারে
০৬।	ইজারা কোটেশন বিক্রয়ের শেষ তারিখ ও সময়	০৬/০৫/২০২৪ খ্রিস্টাব্দ তারিখ অফিস চলাকালীন সময় পর্যন্ত।
০৭।	মুখবন্দ অবস্থায় ইজারা কোটেশন গ্রহণের শেষ তারিখ ও সময়	০৭/০৫/২০২৪ খ্রিস্টাব্দ তারিখ সকাল ১১.৩০ পর্যন্ত
০৮।	ইজারা ডাকে অংশগ্রহণের যোগ্যতা	ভ্যট ও আয়কর সনদধারী প্রতিষ্ঠান/নাগরিক, সরকারী/বেসরকারী/ স্বায়ত্তশাসিত সকল প্রতিষ্ঠানের ঠিকাদার।
০৯।	যে সকল কার্যালয়ে ইজারা কোটেশন জরুরের জন্য পাওয়া যাবে	বিভাগীয় কমিশনার, খুলনা/জেলা প্রশাসক, কুষ্টিয়া/নির্বাহী প্রকৌশলী, সড়ক বিভাগ, কুষ্টিয়া/যশোর/ঝিনাইদহ/মাগুরা/নড়াইল/চুয়াডাঙ্গা/মেহেরপুর/পাল্লিখৈ বিভাগ-১, সড়ক ভবন, তেজগাঁও, ঢাকা। উপ-বিভাগীয় প্রকৌশলী, সড়ক উপ-বিভাগ, কুষ্টিয়া/১ম সারি কারখানা উপ-বিভাগ, কুষ্টিয়া।
১০।	যে সকল কার্যালয়ে ইজারা কোটেশন মুখবন্দ অবস্থায় গ্রহণ করা হবে	(ক) নির্বাহী প্রকৌশলী, সওজ, সড়ক বিভাগ, কুষ্টিয়া। (খ) জেলা প্রশাসক, কুষ্টিয়া।
১১।	ইজারা কোটেশন খোলার স্থান, তারিখ ও সময়	স্থান : নির্বাহী প্রকৌশলী, সওজ, এর কার্যালয়, সড়ক বিভাগ, কুষ্টিয়া। তারিখ : ০৭/০৫/২০২৪ খ্রিস্টাব্দ। সময় : দুপুর ১২.৩০ ঘটিকা।
১২।	ইজারা আহ্বানকারী যে কোন সময় যে কোন কোটেশন/সকল কোটেশন বাতিলের ক্ষমতা সংরক্ষণ করেন।	

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