

Star BUSINESS

Although there are around 40 steelmakers in Bangladesh, just four based in Chattogram are currently catering to 53 percent of the total demand



Story on B4

Online tax returns can bring \$32b extra revenues annually: CPD

STAR BUSINESS REPORT

Bangladesh can raise an additional \$32.6 billion in revenues annually within the next four years if the electronic filing of tax returns can be ensured, said the Centre for Policy Dialogue (CPD) yesterday.

This is around 5 percent of the nation's gross domestic product (GDP), said the independent think-tank at a dialogue on the digitalisation of the taxation system.

The CPD organised the event in partnership with the European Union (EU) at the Lakeshore Hotel in Dhaka.

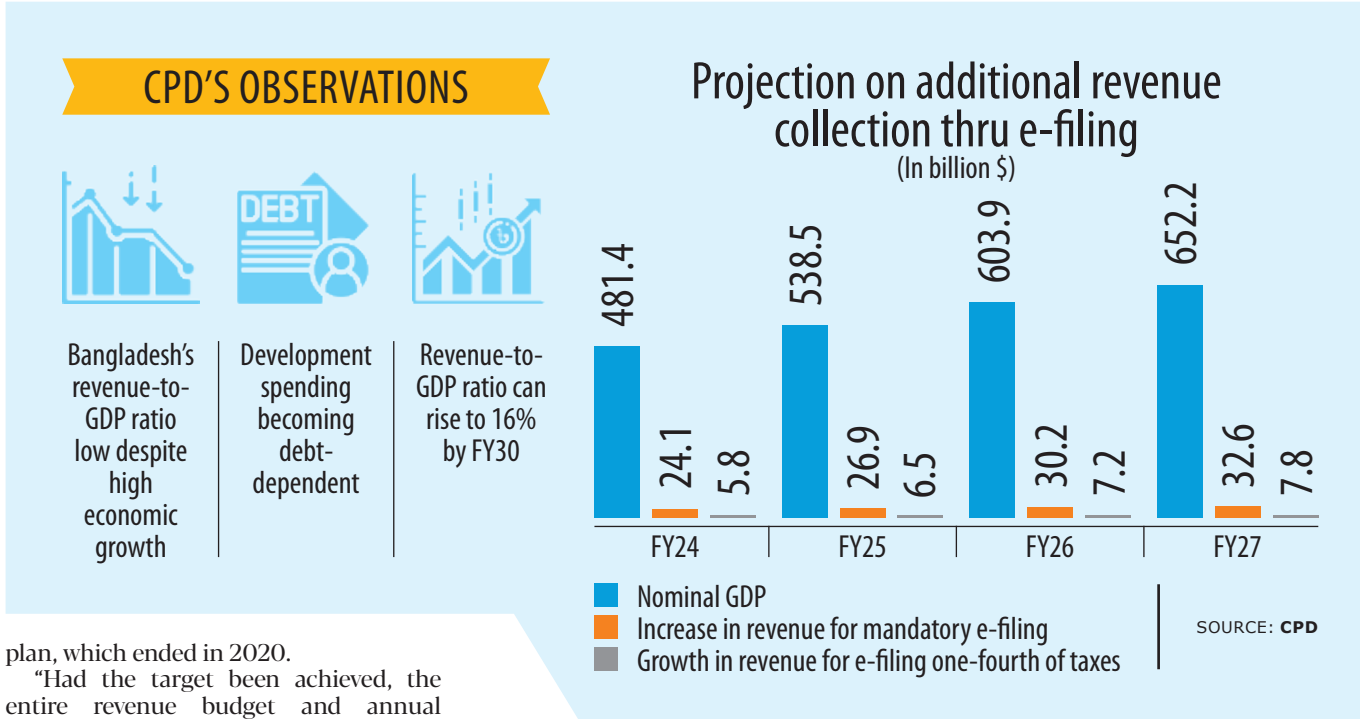
"Through the digitalisation of the whole taxation system, Bangladesh can gradually enhance the tax revenue to GDP ratio to 16 percent by fiscal year 2029-30," said Mustafizur Rahman, a distinguished fellow of the CPD.

In other words, \$167 billion can be generated in the form of tax revenue by FY2030 through digitalisation, he said while presenting a paper.

Tax revenue generation in Bangladesh remains low in context to its neighbours, which has led policymakers, economists and stakeholders to draw attention to the country's increasing dependence on loans to finance public expenditure.

Bangladesh's revenue-to-GDP ratio declined from 10.99 percent in FY2010 to 8.26 percent in FY2023. The target for FY2024, set at 9.9 percent, is also unlikely to be achieved, said the CPD.

The ratio has also fallen short of the 16 percent targeted in the seventh five-year



plan, which ended in 2020.

"Had the target been achieved, the entire revenue budget and annual development programme (ADP) for FY2024 could have been financed with domestic resources," said Rahman, who co-authored the paper with CPD Programme Associate Isabela Rozario Muma.

The tax to GDP ratio is one of the lowest in Bangladesh. Among South Asian countries, it lags behind all its neighbours in terms of public expenditure to GDP ratio.

The CPD said greater domestic resource mobilisation was important for Bangladesh to meet increasing demand for public sector expenditure, ensure a more equitable income distribution, and cut reliance on domestic and

external borrowing.

"It is also necessary to reduce debt servicing obligations on account of interest and principal payments which is eating away an increasing share of revenue earnings," said Prof Rahman.

"The low revenue income has given rise to a situation where the entire development budget is having to be financed by borrowed money, either domestic or external."

Low domestic resource mobilisation means that there is hardly any surplus in the revenue budget, he added.

"Consequently, this entire ADP has to be financed by domestic borrowings and external loans."

The CPD said Bangladesh has witnessed rapid GDP growth and a rise in per capita income over the past couple of decades. However, this has not been reflected in

the mobilisation of resources through taxation, including direct taxation.

In Bangladesh, both tax elasticity -- the change in revenue to change in income -- and tax buoyancy -- which reflects efficiency and responsiveness of revenue mobilisation to growth in GDP -- have been low, said Rahman.

Digitalisation can help bridge the gap, detect tax avoidance, remove loopholes, end exemptions, and reduce tax evasion, he said.

The CPD said the National Board of Revenue (NBR) has been able to put in place some basic IT and digital infrastructure.

"However, the experience is that if the entire spectrum of digital-human-institutional architecture does not work in tandem, these will not deliver the

READ MORE ON B3

Achieving \$110b export target by FY27 is difficult

Say economists and businesspeople

REFAYET ULLAH MIRDHA

The government's target of earning \$110 billion from exports by the fiscal year of 2026-27 would be difficult to attain because of the persisting challenges in the global and local economies, economists and businesspeople said.

Over the last two decades, Bangladesh's shipment has grown by 10.25 percent annually on average. This means if the country wants to pull off the goal by FY27, the export growth has to be accelerated.

The government has fixed the new target in its Export Policy for 2024-27.

Exporters and economists, however, expressed doubts about whether the goal can be hit since consumers globally have long been feeling the pinch of an elevated level of inflation caused by the global supply chain disruptions amid the dragging fallout of the Covid-19 and the Russia-Ukraine war.

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STOCKS	
DSEX ▼	CASPI ▼
1.56%	1.68%
5,431.28	15,737.26

COMMODITIES	
Gold ▲	Oil ▲
\$2,413.93 (per ounce)	\$79.99 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.46%	▼ 0.34%	▲ 0.26%	▲ 1.01%
74,005.94	38,787.38	3,313.48	3,154.03

Stocks plunge to 3-year low

STAR BUSINESS REPORT

Stocks in Bangladesh dropped for a fifth consecutive day yesterday for a selling spree of some large investors, sending the major index of the Dhaka Stock Exchange (DSE) to a three-year low.

High interest rate in the banking

sector, devaluation of the local currency, and reinstatement of a capital gain tax for individual investors was the main reason behind the selling spree, according to market analysts.

The DSEX, the benchmark index of the DSE, plunged by 86 points, or 1.56 percent, from that on Thursday

to hit 5,431 points.

The DSES Index, which is comprised of shariah-based companies, was down by 20 points, or 1.69 percent, at 1,191 points.

The blue-chip index, DS30, slipped by 1.29 percent to 1,948 points.

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NCC Bank Celebrating 31 Years of Excellence

পাশে থেকে এগিয়ে নেয়ার ৩১ বছর

- অন্যতম শীর্ষ রেটিংস সহায়কসহী ও বিকৃত নেটওয়ার্ক সেবা
- বাংলাদেশ ব্যাংকপনায় পার্যাবাহিক সুশাসনের স্বীকৃতি
- দশ পঞ্চাধিক গ্রাহকের আস্থার ব্যাংক
- ১৪০০০+ এটিএম থেকে কি বিহীন টাকা উত্তোলন
- গ্রাহকের সর্বমুখ পছন্দনীয় কার্ড সেবা
- সুদূর অধিক সুবিধায়
- দ্রুত বর্ধনশীল CMSME ব্যাংকিং
- দেশব্যাপী বিকৃত ব্রাঞ্চ নেটওয়ার্ক
- CSR এর মাধ্যমে কৃষি সম্প্রদায়ের সহায়ক অংশগ্রহণ
- ADB সহ বিশ্বব্যাপী অর্থনৈতিক ব্যাংকিং-এ পূর্ণিষ্ঠিত লাইন
- গ্রাহকের চাহিদানুযায়ী সব ধরনের ব্যাংকিং সেবা
- অধিক অকল্পিত পার্যাবাহিক অবদান
- টেকসই ও সবুজ অর্থায়নে নিরবচ্ছিন্ন অবদান
- বাংলাদেশ ব্যাংক অন্যতম শীর্ষ করদাতা
- সুদূর অর্থনৈতিক উন্নয়নে আধিকার হাতে বিনিয়োগ
- শ্রীশ্রীসহ সমস্ত ইসলামী ব্যাংকিং সুবিধা
- ২৪/৭ ডিজিটাল গ্রাহক পরিষেবা পোর্টাল
- মুদ্রাসংযোগী নতুন ব্যাংকিং

• পার্যাবাহিক রেটিংস এওয়ার্ড
• ফস্টেস্ট গ্রোথিং ব্যাংকিং ব্র্যান্ড এওয়ার্ড
• ফস্টেস্ট গ্রোথিং ডিজিটাল ট্রান্সফরমেশন এওয়ার্ড
• বেস্ট ইউজ অর টেকনোলজি এওয়ার্ড
• পার্যাবাহিক বেস্ট প্রাইমারি ক্লিয়ার এওয়ার্ড

এনসিসি ব্যাংক
আপনার সবেই সফল

Management Trainee Development Program

Pioneering Leadership
WHERE INNOVATION MEETS OPPORTUNITY

Trust Bank Limited, a pioneer of Army Welfare Trust backed by the Bangladesh Army aims to lead the banking sector by providing moral and ethical standards. MT Development Program of Trust Bank Limited provides an exciting career path, featuring a year-long rotating-rotate training and development initiative. It seeks driven candidates who could emerge as future leaders within the organization.

Trust Bank Limited is seeking vibrant, expressive, and technologically adept individuals for the role of Management Trainee Officer (MTO).

Application Procedure: Apply online through <https://career.tbld.com>

Eligibility: Post-graduation along with 4 (four) years of professional work of least 3000 and of 4000 for each 1000 & 1000. Total work of 12000 and 12000 with minimum one year 1000.

Reward: Selected candidates will be appointed as Management Trainee Officer for a period of one year. After completion of rotational learning & development program, the trainees will be appointed as Senior Officer.

During the probation, MTO will receive monthly consolidated pay of BDT 30,000. After confirmation, the salary will be in the regular pay scale of Senior Officer.

Selection Procedure: Only shortlisted candidates will be called for video screening and written test. Based on merit, selected candidates will be called for management interview.

Application Deadline: June 30, 2024

16201
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Zakia Rouf Chowdhury, vice-chairman of the board of directors of Bank Asia, receives an award from a representative of International Finance Corporation at the IFC's Global Trade Partners Meeting in Barcelona, Spain recently. PHOTO: BANK ASIA

Bank Asia wins IFC's 'Best Trade Partner Bank in South Asia' award

STAR BUSINESS DESK

Bank Asia PLC has been awarded as the "Best Trade Partner Bank in South Asia" at the International Finance Corporation's (IFC's) Global Trade Partners Meeting in Spain.

Zakia Rouf Chowdhury, vice-chairman of the board of directors of Bank Asia, received the award from an IFC representative at an award-giving programme in Barcelona, the bank said in a press release.

Along with Bank Asia, some other globally recognised banks were also on

the list of awardees.

This prestigious award stands as recognition of Bank Asia's enduring commitment to excellence and a testament of its unmatched capabilities among South Asian banks in fostering seamless trade transactions and driving economic growth across the world.

Romo Rouf Chowdhury, chairman of the board of directors of Bank Asia, and Sohail RK Hussain, managing director of the bank, were also present, among others, at the award presentation ceremony.



Nazeem A Choudhury, deputy managing director of Prime Bank, and Husne Ara, principal of Bluebird High School and College, pose for photographs after signing an agreement on banking solution in Sylhet yesterday. PHOTO: PRIME BANK

Prime Bank launches PrimeAcademia to transform academic banking

STAR BUSINESS DESK

Prime Bank yesterday signed an agreement with Bluebird High School and College as the first educational institute after launching PrimeAcademia, a banking solution of the bank tailored for academic institutions, teachers and students across the country.

The solution will address the diverse financial needs of the academic community, offering features such as fees collection for simplified and efficient

fee management for institutions, payroll banking for a more streamlined payroll services for academic staff and student savings accounts with special benefits for student savers.

It will have institutional accounts with attractive interest/profit-bearing options for schools and colleges, teacher savings accounts with added insurance coverage for teachers, and loan facilities for financing solutions for parents to support their children's education.



Md Masum Uddin Khan and Abidur Rahman Chowdhury, deputy managing directors of Southeast Bank, hand over a cheque of financial assistance for farmers to M Abdus Salam, chief executive of Gana Unnayan Kendra, at the bank's head office in Dhaka recently. PHOTO: SOUTHEAST BANK

Southeast Bank provides aid to farmers thru Gana Unnayan

STAR BUSINESS DESK

Southeast Bank recently provided financial assistance to grassroots level farmers across the country from its special corporate social responsibility fund to help their cultivation and facilitate purchases of agri machinery.

The financial assistance was channelled to farmers through Gana Unnayan Kendra, a non-government development organisation, the bank said in a press release.

Md Masum Uddin Khan and Abidur Rahman Chowdhury, deputy managing directors of the bank, handed over a cheque of the financial assistance for farmers to M Abdus Salam, chief executive of Gana Unnayan Kendra, at the bank's head office in Dhaka.

Nuruddin Md Sadeque Hossain, managing director of the bank, attended the programme. Other senior officials from both organisations, among others, were also present.

Walton unveils new models of electronics with advanced features ahead of Eid

STAR BUSINESS DESK

Walton recently unveiled a slew of new models of products, including refrigerators, air conditioners, OLED TVs, washing machines and fans, with advanced technology and features ahead of Eid-ul-Azha.

New model products include multi-coloured side-by-side refrigerators with inverter technology, European design combi model refrigerators, vertical

freezers, solar hybrid technology's split type air conditioner, 4 and 5-tonne cassette and ceiling type air conditioner, 65-inch OLED TV, washing machine and BLDC fan, said a press release.

Of these products, there were 7 types of refrigerators which are AIoT (artificial intelligence of things) based, energy efficient and environment friendly. Globally recognised environment-friendly R600a gas has been used in the

compressor of these refrigerators.

The air conditioners Walton unveiled at the event included 1 and 1.5 tonne solar hybrid split type AC designed with a superpower saving model. This type of AC will run on solar power during the day.

Walton also unveiled a 65-inch ultra-slim design OLED TV with hands free voice command facility. The TVs feature 3GB RAM, 32GB ROM, 120Hz refresh rate, gaming mode, MEMC etc.



Mohammad Rayhan, managing director of Walton Plaza, presses a button to inaugurate a number of new models of products ahead of Eid-ul-Azha at the company's corporate office in Dhaka recently. PHOTO: WALTON

Alliance Finance, Concord Real Estate sign MoU on home loans

STAR BUSINESS DESK

Alliance Finance recently signed a memorandum of understanding (MoU) with Concord Real Estate to finance the potential apartment buyers of the realtor and offer them exclusive home loan benefits at a competitive rate.

Wishva Wickramarachchi, chief financial officer of the non-bank financial institution (NBF), and Enamul Haque, executive director for marketing and sales of the realtor, penned the MoU at the former's head office in Dhaka, said a press release.

Shahanur Rashid, head of business of the NBF, Ali Tasben Haque Riyad, unit head of corporate business, and Shah Md Abu Ruyhun, assistant vice-president for retail business, were present.

Among others, Ahmed Alamgir Zavid, senior manager for customer service of the realtor, along with other senior officials and executives of both organisations were also present.



Wishva Wickramarachchi, chief financial officer of Alliance Finance, and Enamul Haque, executive director for marketing and sales of Concord Real Estate, pose for photographs after signing a memorandum of understanding on home loans at the former's office in Dhaka recently. PHOTO: ALLIANCE FINANCE

China industrial output picks up

AFP, Beijing

Chinese industrial production picked up in April but consumption slowed, official figures showed Friday, as woes in the property sector and elsewhere continued to weigh on economic recovery.

Industrial output rose 6.7 percent on-year last month, according to the National Bureau of Statistics, building on a 4.5 percent increase in March.

The figure was higher than the 5.5 percent tipped in a Bloomberg forecast of economists.

However, retail sales growth -- China's key gauge of consumer spending -- continued to slow, expanding just 2.3 percent -- down from 3.1 percent in March and lower than forecasts.

The sales figures are "depressed by low consumer prices and further contraction in housing sales", said Dan Wang, chief economist at Hang Seng Bank China.

"Business and consumer confidence will remain low without policy support directly targeting family income and durable goods," she added.

China's economy is charting an uneven economic recovery, with a heavily indebted property market, sluggish consumption and high unemployment -- particularly among youth -- among the challenges facing policymakers.

Official figures show that property prices and sales in the country continued to slip in April, adding further pressure on the debt-ridden real-estate sector.

The central government has recently signalled plans to step up support, announcing earlier this week the sale of an initial batch of long-term sovereign bonds -- a move expected to boost annual growth.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (MAY 19, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 6-Tk 76	-3.55 ↓	.74 ↑
Coarse rice (kg)	Tk 50-Tk 54	1.96 ↑	8.33 ↑
Loose flour (kg)	Tk 35-Tk 45	-15.79 ↓	-30.43 ↓
Lentil (kg)	Tk 105-Tk 110	0	13.16 ↑
Soybean (litre)	Tk 145-Tk 155	-1.64 ↓	-17.81 ↓
Potato (kg)	Tk 48-Tk 55	-1.90 ↓	37.33 ↑
Onion (kg)	Tk 70-Tk 75	16.00 ↑	-6.45 ↑
Egg (4 pcs)	Tk 48-Tk 50	19.51 ↑	1.03 ↑

SOURCE: TCB

পিএসসি কনভেনশন হল
পুলিশ স্টাফ কলেজ বাংলাদেশ

স্মারক নং-পুলিস/পিএসসি কনভেনশন হল/টেন্ডার-২০২৪/১৫৮১

তারিখঃ ০৭/০৫/২০২৪খ্রিঃ

দরপত্র বিজ্ঞপ্তি
অর্থ বছর-২০২৪-২৫ হতে ২০২৬-২৭ পর্যন্ত

১. স্ফোর নাম	পিএসসি কনভেনশন হল
২. স্ফোরিক সত্তার নাম	নির্বাহী কর্মকর্তা
৩. আবেদন পত্রের বিষয় ও কাজের সক্ষমতা বিবরণ	গ্রুপ-ক: হলের ভৌত অবকাঠামো মোহাম্মত সংস্কার গ্রুপ-খ: মনোহরি, ব্রিনিং মালমাল, স্টেশনারী এবং আসবাবপত্র রক্ষা/সরবরাহ গ্রুপ-গ: ইলেক্ট্রিক, ইলেক্ট্রনিক এবং হার্ডওয়ার, সেনেটোরী মালমাল রক্ষা/সরবরাহ বর্ণিত কাজের জন্য প্রকৃত ঠিকাদারী/ঠিকাদারী প্রতিষ্ঠান তালিকাভুক্ত বন।
৪. তহবিল	পিএসসি কনভেনশন হল এর তহবিল
৫. দরপত্রের পদ্ধতি	উন্মুক্ত দরপত্র পদ্ধতি (OTM)।
৬. আবেদন ফরম বিজ্ঞপ্তির শেষ তারিখ ও সময়	২২/০৫/২০২৪খ্রিঃ অফিস চলাকালীন পর্যন্ত।
৭. আবেদন ফরম দাখিলের শেষ তারিখ ও সময়	২৩/০৫/২০২৪খ্রিঃ দুপুর ১২.০০ ঘটিকা পর্যন্ত।
৮. টেন্ডার বন্ড খোলার তারিখ, সময় ও স্থান	২৩/০৫/২০২৪খ্রিঃ দুপুর ১২.৩০ ঘটিকা। দরপত্রদাতা বা মনোনীত প্রতিদ্বন্দ্বিতাদের সম্মুখে (যদি কেহ উপস্থিত থাকে) খোলা হবে। হলের অফিস কক্ষ, পিএসসি কনভেনশন হল
৯. আবেদন ফরম সংগ্রহ ও জমা দেওয়ার ঠিকানা	পিএসসি কনভেনশন হল অফিস কক্ষ, মীচ তলা
১০. আবেদনকারীর যোগ্যতা	(ক) হালনাগাদ ট্রেড লাইসেন্স (খ) ভ্যাট রেজিস্ট্রেশন সার্টিফিকেট (গ) আয়কর পরিশোধের সনদপত্র (ঘ) অর্থনৈতিক সচ্ছলতার প্রমাণপত্র (ঙ) সংশ্লিষ্ট কাজের ৫ বছরের অভিজ্ঞতা সনদপত্র, (চ) জাতীয় পরিচয় পত্র। (ছ) ত্রিমিক নং ৩ এ বর্ণিত কাজে বিগত ০৩(তিন) বছরের সরবরাহের প্রমাণ পত্র। বর্ণিত সকল প্রকার কাগজপত্র প্রথম শ্রেণীর গেজেটেড কর্মকর্তা কর্তৃক সত্যায়িত করতে আবেদন পত্রের সাথে দাখিল করতে হবে।
১১. আবেদন ফরম এর মূল্য (প্রতি গ্রুপ)	৫০০/- (অফেরত যোগ্য)
১২. তালিকাভুক্তি ফি	৫০০০/- (পাঁচ হাজার) টাকা (অফেরত যোগ্য)
১৩. নবায়ন ফি	২০০০/- (দুই হাজার) টাকা (অফেরত যোগ্য) প্রতি বছরের জন্য
১৪. তালিকাভুক্তির মেয়াদ	৩ বছর
১৫. প্রতিটি নির্বাচিত ঠিকাদারী প্রতিষ্ঠানকে তালিকাভুক্তির জন্য নির্ধারিত মূল্যসহ ১৫% ভ্যাট নগদ জমা প্রদান করতে হবে।	

কর্তৃপক্ষ কোন কারণ দর্শানো ব্যতীতই সর্বসম্মত সাক্ষর/আংশিক আবেদনপত্র গ্রহণ বা বাতিল করার অধিকার সংরক্ষণ করেন।

(মোহাম্মদ শাহজাহান)
নির্বাহী কর্মকর্তা
পিএসসি কনভেনশন হল
মিরপুর-১৪, ঢাকা-১২০৬
ফোন-০১৫৫২৩৬১৫৭৯

GD-812

Robi, Banglalink sign MoU on sharing network resources

STAR BUSINESS REPORT

Mobile network operators Robi and Banglalink recently signed a memorandum of understanding (MoU) to evaluate the potential sharing and rationalisation of their network resources.

This collaboration is set to expand 4G access nationwide, enhancing both the quality and speed of mobile broadband for customers.

Sharing network resources is a global best practice in the telecom industry. It promotes an asset-light business model and supports both companies' commitment to environmental sustainability through optimised use of energy resources.

Additionally, it ensures better cost efficiency and usage of telecom resources, enabling investments in service quality and value-added services. Furthermore, the sharing of network resources among operators helps save foreign currency. As such, Robi and Banglalink signed the MoU to strengthen their collaboration in sharing network resources.

In a joint statement, Banglalink and Robi said this potential collaboration is a timely and dynamic initiative that will transform telecommunications in Bangladesh.

"We are excited for our customers to experience improved service quality with expanded and uninterrupted nationwide coverage. Our first step is to evaluate the technical and financial feasibility of network sharing," the statement said.

"With the necessary policy changes and regulatory approval, we will share network infrastructures. Our shared goal is to provide robust telecom connectivity for every citizen, contributing to the Smart Bangladesh vision," it added.

The two telecom operators also said they are grateful to the Bangladesh Telecommunication Regulatory Commission for its persistent support in facilitating such forward-looking initiatives.

"We are on a mission to make the Bangladeshi telecom industry a driving force in achieving the government's vision of a Smart Bangladesh," said Zunaid Ahmed Palak, state minister for posts, telecommunications and information technology.

He said that as an essential service, telecommunications hold the potential to serve as a bridge for customers to access to various digital services.

"This potential collaboration between Banglalink and Robi will encourage innovation and promote efficient utilisation of the nation's resources in critical development initiatives, ultimately transforming the lives of Bangladeshi citizens through seamless connectivity," Palak added.

Krishi Bank's losses up 78% in FY23

STAR BUSINESS REPORT

Bangladesh Krishi Bank (BKB), a state-owned lender, reported a 78 percent year-on-year increase in losses for the fiscal year that ended on June 30, 2023.

The bank's net loss was Tk 2,384 crore, up from the previous financial year's loss of Tk 1,336 crore.

Rising interest payments on deposits and loans contributed to the loss, according to the financial statements of the bank.

The classified loans, which are at risk of defaulting, kept rising. The government-owned lender's classified loan was Tk 6,500 crore, which was 21.51 percent of its total debts.

While the bank's profitability and classified loan situation remain worrying, it did experience growth in deposits. Deposits surged to Tk 40,570 crore in FY23 from Tk 38,086 crore in the preceding year.

BKB has been incurring losses for at least 30 years, as it has to lend at lower interest rates while paying more for deposits, highlighting the structural weakness of the lender. The bank suffered a loss of Tk 165 crore in 1994-95. It has been in the red since then except for 2000-01 when it logged a profit of Tk 2.91 crore.

The specialised bank was established under a presidential order in 1973 to support the agriculture sector of the war-torn country.

Russia seizes Deutsche Bank, UniCredit assets

AFP, Moscow

A Russian court has ruled that Deutsche Bank and UniCredit's assets in the country are to be seized, documents showed.

European banks have largely exited Russia after Moscow launched its offensive on Ukraine in 2022.

A court in Saint Petersburg ruled in favour of seizing 239 million euros (\$260 million) from Deutsche Bank, documents dated May 16 showed.

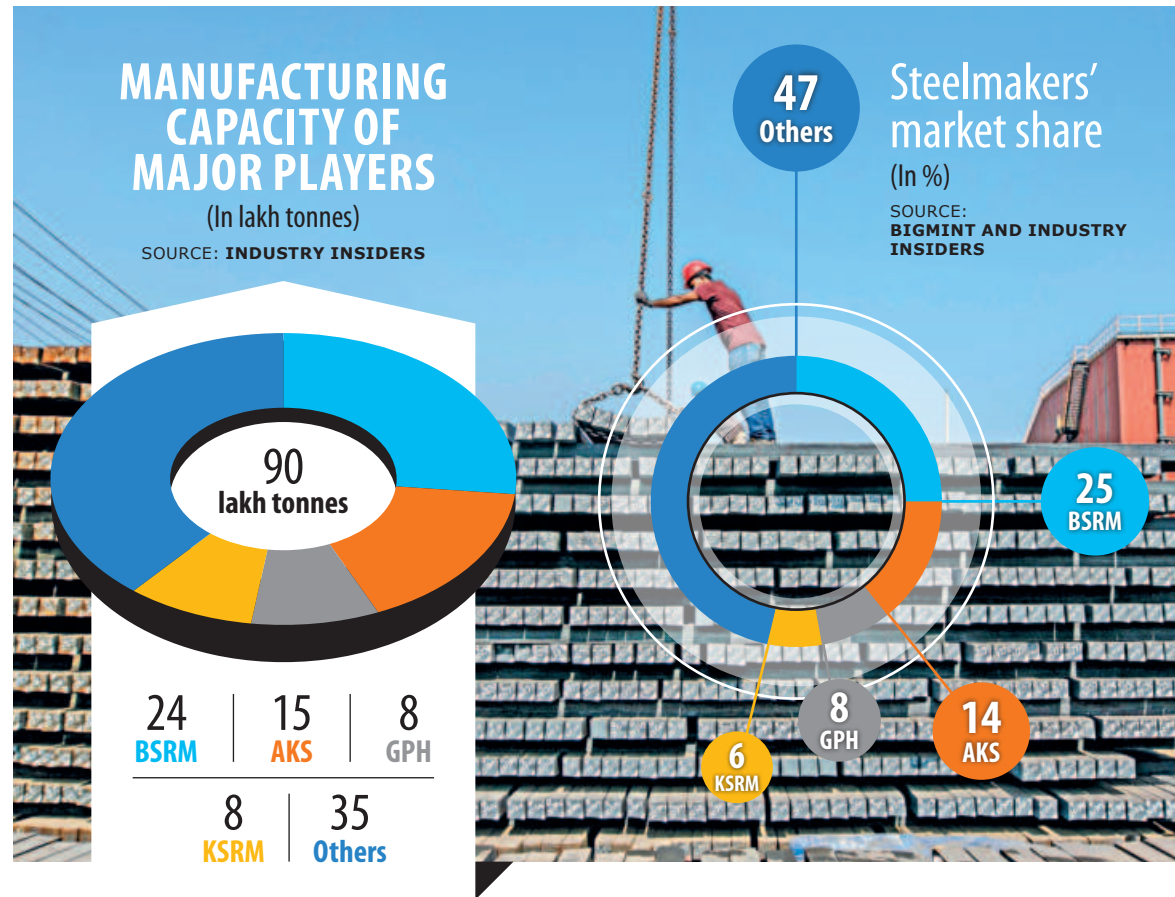
The same day, it ordered the seizure of around 463 million euros of assets belonging to Italy's UniCredit.

Both decisions were issued in answer to a request from RusKhimAlians, which was planning to build a major gas processing and liquefaction plant in cooperation with German company Linde, which pulled out of the project due to Russia's military campaign. RusKhimAlians sued UniCredit and Deutsche Bank — both guarantors of the project.

Deutsche Bank said it would "need to see how this claim is implemented by the Russian courts and assess the immediate operational impact in Russia". UniCredit said it "has been made aware" of the decision and was "reviewing" the situation in detail.

UniCredit was one of the European banks most exposed to Russia when Moscow started its campaign in Ukraine, with a large local subsidiary operating in the country.

Four steelmakers control 53% of market: insiders



JAGARAN CHAKMA

Although there are around 40 steelmakers in Bangladesh, just four based in Chattogram are currently catering to 53 percent of the total demand, according to market studies and industry insiders.

The four major steelmakers are Bangladesh Steel Re-Rolling Mills (BSRM), Abul Khair Steel (AKS), GPH Ispat and Kabir Steel Re-Rolling Mills (KSRM).

According to BigMint, a platform for commodity price reporting, market intelligence and consulting, the BSRM caters to around 25 percent of the domestic demand while AKS contributes 14 percent, GPH 8 percent and KSRM 6 percent.

At present, the 40 steelworks active in Bangladesh have a combined capacity to produce 90 lakh tonnes of steel each year against an annual requirement of around 85 lakh tonnes.

Individually, the BSRM has an annual production capacity of about 24 lakh tonnes while AKS 15 lakh tonnes. Meanwhile, the GPH and KSRM can each produce around 8 lakh tonnes of steel annually.

"We expanded our production capacity while maintaining quality, which was helpful in increasing our market share," said Tapan Sengupta, deputy managing director of the BSRM.

He said steelmaking is a basic industry that provides essential products for infrastructure development.

"So, the demand for steel will keep growing for the next 30 years as Bangladesh is moving toward

higher income status, with people's purchasing capacity growing despite the ongoing economic stress," he said.

Regarding the BSRM's commanding market share, he ruled out the possibility of there being a monopoly in the steel industry as even many small units are trying to develop their capacity.

Besides, some big companies are entering the industry as well.

Sengupta also attributed the BSRM's significant hold on the market to the company's enduring legacy in the industry.

At present, the 40 steelworks active in Bangladesh have a combined capacity to produce 90 lakh tonnes of steel each year against an annual requirement of around 85 lakh tonnes

Having entered the domestic steel industry in 1952, the BSRM has vast experience in the sector and a renowned brand image, for which the company controls a big market share, he said.

Sumon Chowdhury, secretary general of Bangladesh Steel Manufacturers Association, echoed him.

He said there is no scope for major manufacturers to monopolise the market as small units remain competitive by offering quality products at lower prices.

However, he said market demand has slightly reduced due to ongoing economic pressure.

Additionally, the government reduced its steel consumption to around 45 percent from 55 percent of the total production last fiscal year amid a slowdown in development activities.

Chowdhury, also managing director of Rani Re-Rolling Mills, said his company holds around 3 percent market share.

According to him, a number of small companies have now entered the market, leading to overcapacity in production compared to existing demand.

However, BigMint projects that steel consumption in Bangladesh will rise by 25 percent to around 1.06 crore tonnes in 2027 from 85 lakh tonnes at present due to growing infrastructure development projects and individual consumption.

As such, Bangladesh's steel production capacity is expected to rise to 1.30 crore tonnes by 2027.

BigMint also said Chattogram accounts for 62 percent of the country's overall steel-melting capacity while Dhaka can only meet 32 percent.

Shahriar Jahan Rahat, deputy managing director of the KSRM, said the steel industry in Chattogram was established around six decades ago and has greatly developed since then as access to the Chattogram port is convenient for importing raw materials.

According to him, major steel manufacturing plants set up in Chattogram have been contributing to the country's infrastructure development by providing the necessary steel products.

Building a brand

SALEKEEN IBRAHIM

The word brand means a product, service or concept that is evidently distinguished from other products, services or concepts so that it can be simply communicated and frequently marketed.

Brand is the emotional and psychological connection that our customers have with our business, product, or service. It is their collective perception and impression. Building a brand is the act of shaping that perception, which is essential if we want to compete.

In Bangladesh, the life of small and medium enterprises (SMEs), and their pursuit for growth and recognition is perpetual. Being in the competition, standing out is not just an option now, rather it is an obligation. This is where branding appears as the inspiration, guiding these enterprises towards success.

The transformative power of effective branding can't be overlooked if we really want to flourish as a business entity, and it is really indispensable for us to know how enterprises in Bangladesh can embrace branding literacy and craft winning strategies for sustainable growth.

At its core, branding is more than just a logo or a catchy tagline — it is the soul of our business and spirit of the entity. It is what sets us apart from competitors and establishes a connection with our audience. We must know why branding is indispensable for enterprises seeking stable growth.

Firstly, in a crowded marketplace, a strong brand helps us stand out. It communicates our unique value proposition and builds trust with customers. Setting ourselves apart from competitors doesn't have to cost much, but it can significantly impact how our brand is perceived.

Secondly, a well-defined brand inspires confidence in the offerings. It signals professionalism and reliability, which are extremely crucial factors for attracting and retaining customers.

A real brand evokes emotions and elevates loyalty. When customers' compares with our brand, they're more likely to remain loyal, becoming advocates who spread the good word to others.

Lastly, often a dependable brand commands higher prices. Customers are willing to pay a premium for products or services they perceive as valuable and trustworthy.

Self-exploration is compulsory to embark on a remarkable and cost-effective brand journey. We should start by defining the brand's identity. What values do we stand for? What makes our offering unique? This clarity will guide all our branding efforts.

Understanding the target audience inside out is eventually essential. What are their needs, preferences, and pain points? We should tailor the products and the communication of our brand must echo with them effectively.

Consistency is key to building a strong brand. We must ensure the brand elements i.e. logo, colours, tone of voice, etc. are consistent across all touchpoints, from our physical store to website and social media.

Every brand has a story. Share that with an art of effective communication. Whether it's our journey, mission, or commitment to quality, storytelling cultivates the brand and creates a spiritual connection with customers.

We should leverage digital platforms to amplify brand's reach. Establish a strong online presence through social media, website, and email marketing. Engage with the audience regularly and authentically. We must stay relevant to evolving customer needs.

Branding isn't a luxury reserved for big corporations, rather it is a strategic imperative for enterprises looking for sustainable growth. By embracing branding literacy and crafting a robust brand strategy, Bangladeshi entrepreneurs can elevate their enterprises from obscurity to distinction.

We should remember, building a brand isn't a one-time effort; it's an ongoing commitment to authenticity, consistency, and customer-centricity. So, embark on branding journey today and unleash the full potential of our enterprises.

The author is a banker.

China unveils 'historic' steps to stabilise crisis-hit property sector

REUTERS, Beijing/Hong Kong

China announced "historic" steps on Friday to stabilise its crisis-hit property sector, with the central bank facilitating 1 trillion yuan (\$138 billion) in extra funding and easing mortgage rules, and local governments set to buy "some" apartments.

Investors hoped the measures marked the beginning of more decisive government intervention to compensate for waning demand for new and old apartments, to slow down falling prices and to reduce a growing stock of unsold homes.

Analysts have long called for the government to step in with its own purchases to prop up a sector which at its peak accounted for a fifth of GDP and remains a major drag on the world's second biggest economy.

Since the property market began its steep downturn in 2021, a string of developers have defaulted, leaving scores of idle construction sites behind, and sapping confidence in what had for decades been the preferred savings instrument for the Chinese

population.

China Real Estate Newspaper, a publication managed by the housing ministry, said the "heavyweight policies" marked "a significant historic moment" for the sector.

China's CSI 300 Real Estate index of shares jumped 9.1 percent on the announcements.

"It's a bold step," said Raymond Yeung, chief Greater China economist at ANZ of the measures.

"The biggest problem is

whether the government purchase programme will induce private sector demand. Clearing inventory will increase cashflow to developers and help their financial stability, but it does not address private sector confidence."

After waves of support measures over the past two years failed to put a floor under the property sector, China's housing ministry said local governments can instruct state-owned firms to buy "some" homes at "reasonable" prices.

Municipal financing vehicles, blamed for what Beijing calls "hidden debt," won't be allowed to buy. The homes would be used to provide affordable housing, Vice Premier He Lifeng said, without giving a timeline or a target for the purchases.

He also said local governments, already some \$9 trillion in debt, can repurchase land sold to developers, and promised that authorities will "fight hard" to complete stalled projects.

China's central bank said it would set up a relending facility for affordable housing that it says would result in 500 billion



This aerial view shows a housing complex by Chinese property developer Evergrande in Nanjing, in China's eastern Jiangsu province. With an anticipated strong post-pandemic recovery failing to materialise, continuing woes in the property market are raising concerns about potential spillover effects.

PHOTO: AFP/FILE