

Agriculture credit disbursement rises

STAR BUSINESS REPORT

Agriculture credit disbursements in Bangladesh grew 12.46 percent year-on-year to Tk 23,690 crore in the July-February period of the current fiscal year, central bank data showed.

The government has set the farm loan disbursement target at Tk 35,500 crore for 2023-24, up 13.60 percent from the year prior, as per the central bank's monthly report on agriculture and rural finance.

This year's target is 6.61 percent higher than the actual disbursements made in 2022-23. But with Tk 23,690 crore lent so far, 67.69 percent of the disbursement goal has already been achieved.

According to the agricultural credit programme of the Bangladesh Bank, state-owned commercial banks have been given a target to allocate Tk 3,280 crore in FY24 while state-owned specialised lenders have been asked to lend Tk 8,750 crore.

The allocation target for private commercial banks has been set at Tk 21,923 crore while it is Tk 1,047 crore for foreign commercial banks.

Sector-wise, the crops subsector

enjoyed the highest disbursement of 45 percent in the first eight months of the fiscal year. Livestock and poultry received 25 percent of the loans, fisheries 14 percent, and poverty alleviation 6 percent.

A similar trend was witnessed in July-February of FY23, with the crops subsector leading with a share of 48 percent. This was followed by livestock and poultry at 21 percent, fisheries at 12 percent, and poverty alleviation at 6 percent.

The total recovery of agricultural credit was recorded at Tk 22,661 crore in July-February of FY24, an increase of 7.99 percent year-on-year.

The outstanding balance (including interest) of agricultural credit stood at Tk 55,860 crore at the end of February, up 9.03 percent from the identical eight-month period of FY23.

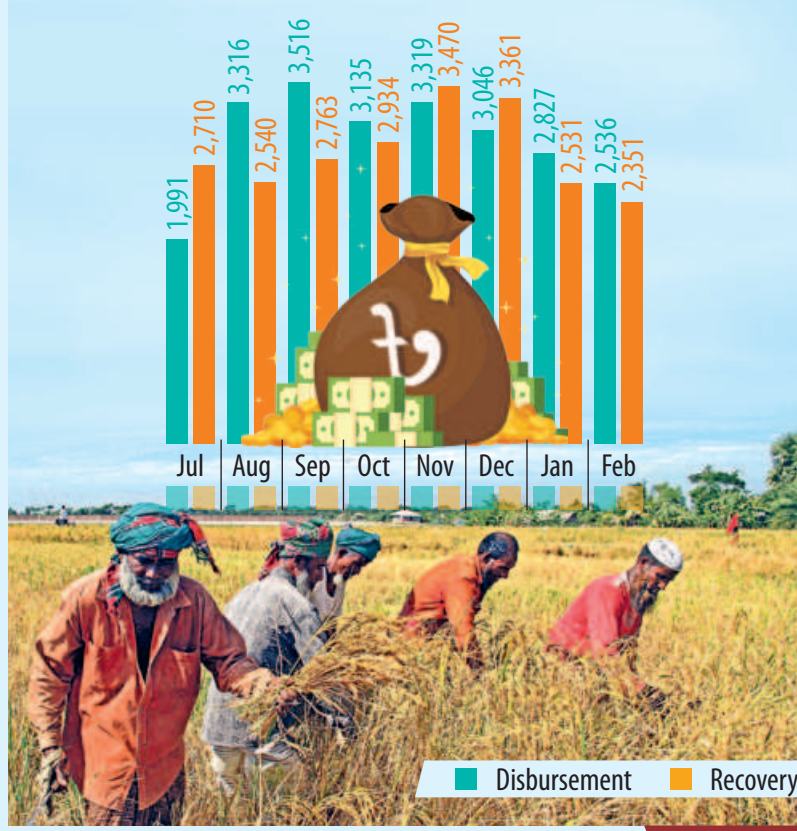
The overdue agricultural credit stood at Tk 9,334 crore in February, a 31.10 percent increase from the year prior.

Agricultural credit is the provision of funds for agricultural production from sources outside the sector. It is also known as agricultural finance.

In FY23, some 36.18 lakh farmers received loans under the programme.

FARM CREDIT DISBURSEMENT AND RECOVERY

In FY24; In crore taka



CdNet working with US agency to expand internet connectivity

STAR BUSINESS REPORT

The US Trade and Development Agency (USTDA) yesterday awarded a feasibility study grant to Bangladeshi telecom company CdNet Communications Ltd (CdNet) to expand reliable internet connectivity across Bangladesh through the development of the Bangladesh International Submarine Cable (Bagha-1).

The subsea cable will increase capacity and improve internet quality in both urban and rural areas, according to a statement issued by CdNet.

CdNet has selected Florida-based APTelecom LLC to conduct the study.

When implemented, the Bagha-1 cable will increase the bandwidth available to internet users in Bangladesh, helping to expand secured high-speed internet connectivity.

The USTDA study will assist CdNet in assessing options to identify the most strategic path for deploying a trusted subsea cable system in the country.

The USTDA and CdNet signed an agreement in this regard at the sixth Indo-Pacific Business Forum in Manila. "Across the Indo-Pacific, USTDA is building a portfolio of subsea cable projects with partners like CdNet who are committed to expanding their countries' broadband capacity through trusted subsea fibre optic cable systems," said Enoch T Ebong, USTDA director.

"Bagha-1 would help bolster Bangladesh's reliable and trusted connectivity to the world and unlock opportunities for emerging digital services, including 5G services, international data centres and international hyperscalers," said Chowdhury Nafeez Sarafat, director of CdNet.

US Ambassador to Bangladesh Peter Haas said USTDA's feasibility study will lay the groundwork for improved internet access and quality for the people of Bangladesh.

Administrator appointed at Swadesh Islami Life

SUKANTA HALDER

The Insurance Development and Regulatory Authority (IDRA) has appointed Sk Md Rezaul Islam, former additional secretary of the Ministry of Chittagong Hill Tracts Affairs, as administrator of Swadesh Islami Life Insurance Company with immediate effect.

The administrator was appointed as Swadesh Islami has violated section 80 (4) of the Insurance Act, 2010, by keeping the company's CEO post vacant for more than five months, according to a letter issued by the insurance regulator.

According to the section 80 (4) of the Insurance Act, 2010, the CEO post of an insurance company shall not be kept vacant for more than three months at a time.

The administrator was appointed as the absence of the CEO has been hampering the company's administrative works, Zahangir Alam, spokesperson of the IDRA, told The Daily Star yesterday.

The administrator will perform duties as per the Insurance Act 2010, according to a letter sent to the new administrator.

The bank accounts of the company shall be maintained under the joint signature of the administrator and another officer,

the letter read.

Things began on August 3 last year, when the insurance regulator issued an office order saying that Md Ekhtiar Uddin Shahin will not be able to serve as the CEO of Swadesh Islami.

On March 21 this year, the High Court stayed IDRA's decision for six months, which on May 13 got halted for eight weeks by a

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Supreme Court (SC) order given by Justice M Enayetur Rahim, chamber judge of the appellate division of the SC.

There is no scope for Shahin to get back his job as the CEO of Swadesh Islami following the SC order, Barrister Mohammad Shafiqul Islam, lawyer of IDRA, told The Daily Star.

In January this year, the insurance watchdog relieved 12 of the 17 directors of Swadesh Islami, including its chairman, of their duties over allegations of embezzling fixed deposits and

breaching the insurance act.

The accused include: its chairman Maksudur Rahman, vice-chairman Shahidul Ahsan and directors Nurul Alam Chowdhury, Baharul Ahsan, Marjanur Rahman, Farah Ahsan, ABM Abdull Mannan, Shamsun Nahar Rahman, Ferojul Ahsan, Kamrul Ahsan, Mohammad Manjurul Islam and Madina Tun Nahar.

The company took a loan of Tk 14.3 crore from NRBC Bank against a fixed deposit of Tk 13.05 crore, which was the company's paid-up capital, according to IDRA documents.

However, as per Insurance Act 2010, the paid-up capital of an insurance company has to be kept free of liability.

Moreover, the loan was not shown in the balance sheet, so it appears that it was allegedly embezzled.

In February this year, the regulator suspended Swadesh Islami's registration for three months for breach of law.

Swadesh settled 50 percent of its total claims in 2020, which fell to 48.15 percent in 2022, according to an IDRA document.

It settled 37 percent of claims until the third quarter of 2023, paying Tk 31 lakh against claims amounting to Tk 86 lakh, it said.

Chinese company to invest \$22.92m in Bepza EZ

STAR BUSINESS DESK

Chinese company Sanxin Accessories MFC BD Ltd will invest \$22.92 million to set up an interlining and garment accessories unit at the Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) in Chattogram.

The company plans to produce interlining, lace, TC pocketing and printing, granule and hot melt adhesive powder at the unit.

The investment will generate employment opportunities for about 2,346 people, according to a press release.

Md Ashraful Kabir, member (investment promotion) of the Bangladesh Export Processing Zones Authority (Bepza), and Li Li, chairman of the Chinese company, penned a deal in this regard at the Bepza Complex in Dhaka yesterday.

Maj Gen Abul Kalam Mohammad Ziaur Rahman, executive chairman of Bepza, attended the programme.

Rahman thanked Sanxin Accessories for choosing the Bepza economic zone as their investment destination. He hoped construction of the factory would start as soon as possible.

Mohammad Faruque Alam, member (engineering) of Bepza economic zone, ANMFoyzul Haque, member (finance), Md Tanvir Hossain, executive director (investment promotion), and Md Khorshid Alam, executive director (enterprise services), were present.

Among others, Mohammad Anamul Haque, project director of Bepza economic zone, and ASM Anwar Parvez, executive director (public relations), along with representatives of the enterprise were also present.

Midland Bank's profit falls 58% in first quarter

STAR BUSINESS REPORT

Midland Bank recorded a profit of Tk 7.4 crore in the January-March quarter of 2024, a decline of 58 percent year-on-year.

The private commercial lender logged a profit of Tk 17.92 crore in the identical three months of 2023. Consolidated earnings per share were Tk 0.12 in the first quarter this year, according to its unaudited financial statements.

Midland's net operating cash flow per share returned to positive territory at Tk 6.65, up from Tk 0.8 in the negative a year ago.

The first quarter's profit fall comes after the bank made a profit of Tk 113.22 crore in 2023, the highest ever in the history of the bank.

Midland Bank started its operation in 2013 with a paid-up capital of Tk 400 crore.

Operating through its head office at Gulshan, Dhaka, the bank has 39 branches across the country.

Apple slashes iPhone prices in China

REUTERS, Beijing

Apple has launched an aggressive discounting campaign on its official Tmall site in China, offering discounts of up to 2,300 yuan (\$318) on select iPhone models.

The discounting comes as the US tech giant seeks to defend its position in the high-end smartphone market, where it faces increasing competition from local rivals such as Huawei.

Running from May 20 to May 28, it is more substantial than the one Apple offered in February.

India's Russian oil imports rise to nine-month high

REUTERS, New Delhi

India's Russian oil imports rose a nine-month high in April after shipments on non-sanctioned tankers operated by Russia's largest shipping company Sovcomflot resumed, tanker data obtained from shipping and trade sources showed.

Refiners in India briefly stopped importing Russian oil in tankers belonging to Sovcomflot after the company's ships, along with its 14 tankers, were designated by Washington in February as being in breach of Western sanctions.

The West has imposed the sanctions against Russia since it invaded Ukraine in 2022 and has enacted price caps on oil and oil products loaded at Russian ports aimed at cutting Moscow's oil revenue that funds the war.

India, the world's third-biggest oil importer and consumer, is the top client for Russian seaborne oil.

In April, the first month of the fiscal year 2024/25, Indian refiners shipped in nearly 1.8 million barrels per day (bpd) of Russian oil, up about 8.2 percent over the previous month, expanding Russia's share in India to about 38 percent from 32 percent in the previous month, the data showed. Overall, India imported 4.8 million bpd of oil in April, a decline of 6.5 percent from the previous month and marginally higher than April 2023.

Russia continued to be the top oil supplier to India followed by Iraq and Saudi Arabia.

However, increased purchases of Russian oil dented Indian refiners' overall purchase of Iraqi and Saudi Arabian oil during the month, dragging down the share of Middle Eastern oil to 41 percent from 46 percent in March, the data showed.

Microsoft unveils 'AI-ready' PCs

AFP, Redmond

Microsoft CEO Satya Nadella unveiled a new category of PC on Monday that features generative artificial intelligence tools built directly into Windows, the company's world leading operating system.

The tech giant estimates that more than 50 million "AI PCs" will be sold over the next 12 months, given the appetite for devices powered by ChatGPT-style technology.

"We are introducing an entirely new class of Windows PCs engineered to unleash the power" of on-device AI, Nadella said at a launch event in Redmond, Washington.

"We call this new category 'Copilot Plus'...the fastest, most AI-ready Windows PCs ever built," he added.

Of all the tech giants, Microsoft has pushed the most aggressively to infuse the powers of generative AI into its products, often leaving rival Google to play catch-up.

ChatGPT-style AI, which is called Copilot at Microsoft, is available across the company's products, including Teams, Outlook and its Windows operating system.

Microsoft even tried, so far unsuccessfully, to rejuvenate Bing, its poor-performing online search engine, with generative AI powers.

"These improvements provide the

most compelling reason to upgrade your PC in a long time," said Microsoft Vice President Yusuf Mehdi.

Microsoft said Copilot Plus PCs, built with powerful AI-ready chips, are 58 percent faster than the M3 MacBook Air.

Companies like Lenovo, Dell, Acer and HP said they would also release PCs that run on Microsoft's new Copilot Plus software.

Microsoft said that the AI features

will take place on the device, so you won't have to wait for data to get sent to and from remote data-centers or pay for a subscription.

AI offerings will include live translation, image generation and a state-of-the-art ability to interact with your computer through chats and simple prompts instead of clicking on files or drop-down menus.

Microsoft's pivot to AI has been celebrated by Wall Street, and the



Attendees take a look at the new Microsoft Surface devices following the Microsoft Briefing event in Redmond, Washington on May 20. Microsoft unveiled a new category of PC that features generative artificial intelligence tools built directly into Windows.

PHOTO: AFP