

# Star BUSINESS

The Dada Match factory may soon fade from memory as no effective measures have been taken to reopen it in 14 years



Story on B4

## Broad reforms vital to restore trust in banks: CPD

STAR BUSINESS REPORT

The Centre for Policy Dialogue (CPD) yesterday urged the government to reduce bad loans and establish governance in the banking sector as part of its suggestions aimed at healing the persisting ills of the key sector.

"A comprehensive reform agenda should be devised and implemented to overcome the banking sector's ongoing challenges," it said.

The think-tank's recommendations came at a dialogue titled "What Lies Ahead for the Banking Sector in Bangladesh?" at the Lakeshore Hotel in the capital.

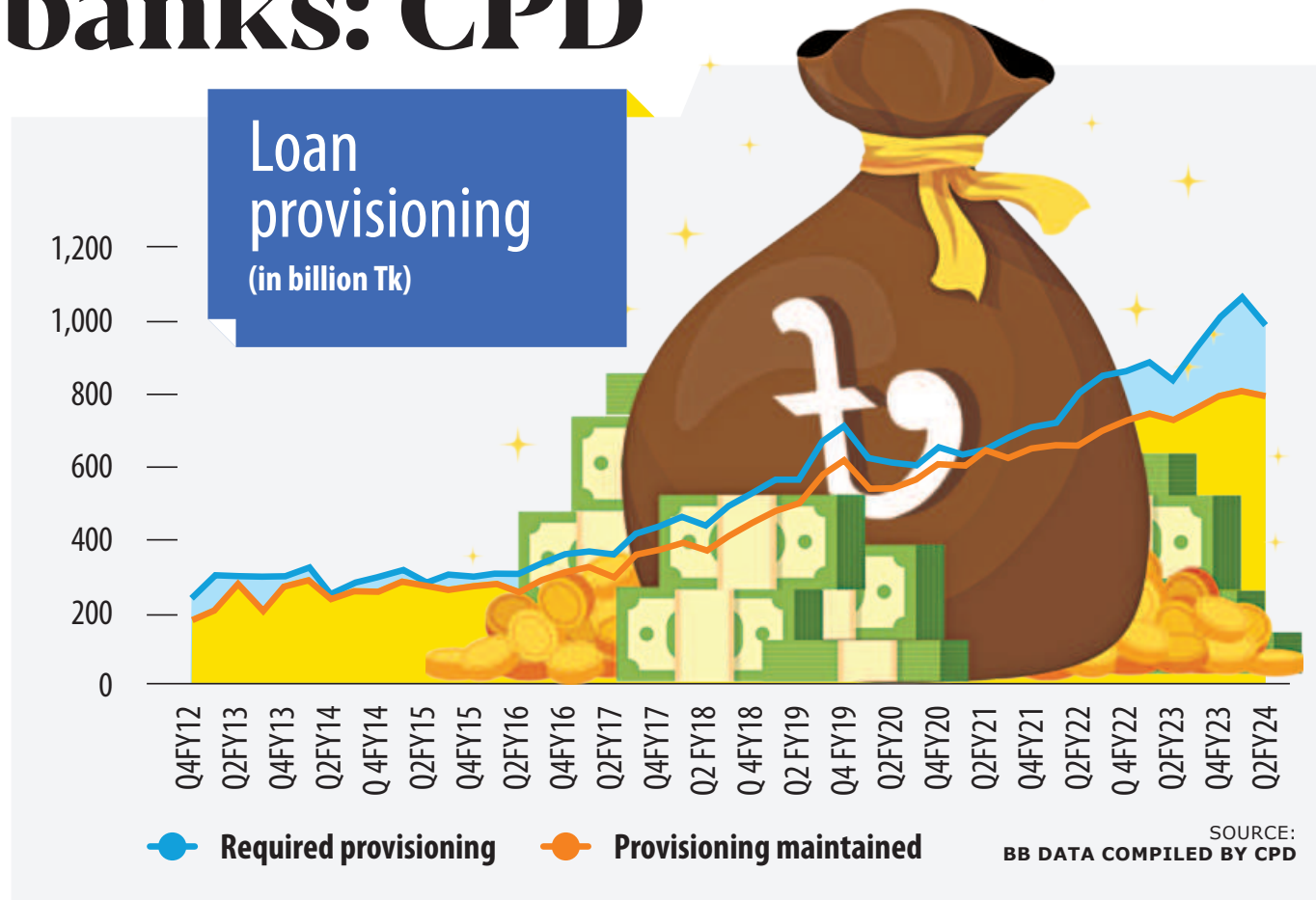
The CPD said commercial banks need to be strengthened, the independence of the Bangladesh Bank should be upheld, a conducive legal environment must be created, and a banking commission needs to be set up.

In Bangladesh, non-performing loans (NPLs) have more than tripled in the last one decade, it said. The high concentration of NPLs is not only a problem for state-run banks but also for private lenders.

The increase in the share of NPLs at private banks shows that their performance has worsened substantially over time.

Bangladesh Bank's Financial Stability Report showed that gross NPL totalled Tk 120,649 crore in 2022. If written off and rescheduled loans are taken into account, the figure goes up to Tk 377,922 crore.

As of the second quarter of the



current fiscal year of 2023-24, the required loan loss provisioning was Tk 98,941 crore whereas banks collectively set aside Tk 79,679 crore to cover the bad debts.

"There has been an erosion of public trust in the banking sector due to the continuous deterioration of the health and inadequate measures taken by the policymakers," said Fahmida Khatun, executive director of the CPD, while making a

### 'FID acting as a regulator for a regulator'

STAR BUSINESS REPORT

The Centre for Policy Dialogue (CPD) yesterday criticised the establishment of the Financial Institutions Division (FID) of the finance ministry as it compromises

presentation.

"NPLs should be brought down through a comprehensive framework because sporadic measures have not been successful. The nature and depth of the problem require broad due diligence and structural reforms."

She said since reforms will face resistance from vested interest groups, the changes must be backed by political will.

The CPD made some specific recommendations about commercial banks, the central bank, and a banking commission.

## Stocks keep bleeding

MD ABU TALHA SARKER

The stock market in Bangladesh yesterday extended its losing streak as fears of the capital gains tax being reinstated in the coming fiscal year and rising yields of government treasury bills and bonds continued to weigh on investors' minds.

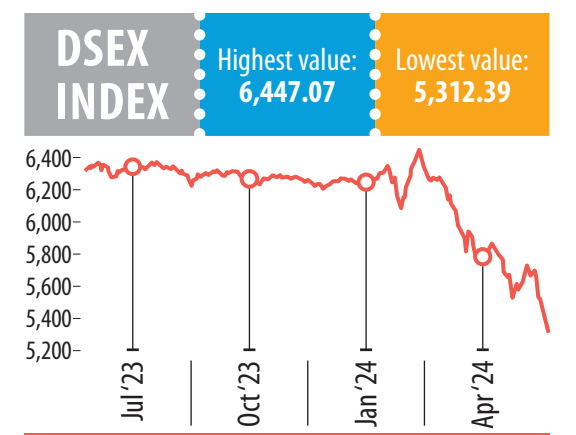
The market opened on an upbeat note but that did not last long as institutional and foreign buyers mostly remained on the sidelines.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), shed 58.7 points, or 1.09 percent, to close at about 5,312 points, its lowest in 39 months.

All other indices suffered losses too.

"The market drop can be attributed to numerous factors, like the increased policy rate and treasury security yields as well as rumours about the capital gains tax," said Asif Khan, chairman of Edge Asset Management.

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### BUDGETARY ALLOCATION FOR AGRICULTURE OVER THE LAST FIVE YEARS

In % of total budget



### Forex reserves go up by \$180 million in a week

STAR BUSINESS REPORT

Bangladesh's foreign currency reserves have risen to \$18.61 billion, an increase of \$180 million from a week ago, central bank figures showed yesterday.

It was \$18.43 billion on May 15, according to a central bank calculation based on the International Monetary Fund's Balance of Payment Manual 6.

The Bangladesh Bank began calculating forex reserves in line with the new method in July last year as per suggestions of the lender, which approved a \$4.7 billion loan in January that year.

Tuesday's reserves were far lower than the \$41 billion the country reported in August 2021. Since then, import payments have risen faster than remittance earnings and exports, bringing the reserves to the current level.

## Agriculture should get top priority in budget: economists

STAR BUSINESS REPORT

Agriculture should be given the highest priority in the upcoming national budget as food security has to be ensured for the people of Bangladesh, economists said yesterday.

The land available for agricultural purposes is decreasing by 0.5 percent every year while the population is increasing day by day, they said.

There are also challenges stemming from climate change and geopolitics. Therefore, it is necessary to increase food production locally, they added.

They made the comments at a seminar on the political economy of agrarian futures in Bangladesh, organised by the Bangladesh Institute of Development Studies (BIDS) on its premises in the capital.

About 40 percent of the population is now dependent on agriculture for jobs and that is why the government should not divert its attention from

this sector at this time of austerity, said Binayak Sen, director general of BIDS.

"In the current situation, it is very important to rationalise tariffs and subsidy policies for agricultural products. Because these are our home-grown products," he said.

Arrangements should be made so that the agricultural technologies that have been developed can reach grassroots farmers, he said, adding: "If we can do that, the country will move further forward."

For fiscal year 2023-2024, the government allocated only 3.5 percent of the total budget to the agriculture sector according to finance ministry documents.

MA Sattar Mandal, former vice-chancellor of the Bangladesh Agricultural University, said: "We have some direct results of the transformation that is taking place in the agricultural sector of Bangladesh."

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## Japan's factory activity expands for first time in a year

REUTERS, Tokyo

Japan's factory activity crept into expansion for the first time in a year in May, a business survey showed on Thursday, as manufacturing gathered pace after months of weakness.

The au Jibun Bank flash Japan manufacturing purchasing managers' index (PMI) climbed to 50.5 in May from 49.6 in April, breaching the 50.0 threshold separating growth from contraction last seen in May last year.

"The expansion in business activity remained services-led, but the near-stabilisation of manufacturing output offers hope of growth broadening out later in the year," said Jingyi Pan, economics associate director at S&P Global Market Intelligence, which compiled the survey.

Both output and new orders, the two key subindexes contributing to the headline figure, contracted at a slower pace, while stocks of purchases rose at the fastest pace in 10 months.

Manufacturers' optimism, though, dipped and inflationary pressures pushed up input costs and output prices.

## Mutual Trust Bank, IPDC Finance sign deal on cash management services



**Md Khalid Mahmood Khan, additional managing director and chief business officer of Mutual Trust Bank, and Rizwan Dawood Shams, managing director of IPDC Finance, shake hands and exchange signed documents of an agreement at the bank's corporate head office in Gulshan recently.**

PHOTO: MUTUAL TRUST BANK

### STAR BUSINESS DESK

Mutual Trust Bank has recently signed an agreement on Cash Management Services with IPDC Finance Limited.

Md Khalid Mahmood Khan, additional managing director and chief business officer of the bank, and Rizwan Dawood Shams, managing director of the non-bank financial institution, penned the deal at the bank's corporate head office in

Gulshan, the bank said in a press release.

Syed Mahbubur Rahman, managing director and CEO of the bank, attended the programme. Md Shamsul Islam, deputy managing director and head of treasury, Mohammad Mamun Faruk, divisional head of wholesale banking-1, Khalid Hossin, divisional head of digital banking, and Mohammad Ashik Iqbal Khan, divisional head of cash management and transaction banking, were also present.

Among others, Md Ashique Hossain, deputy managing director, Fahmida Khan, chief financial officer, Jumaratul Banna, head of corporate business and acting head of treasury, Md Afzalur Rashid, chief technology officer, Rahat Jamil, acting head of operations, and Subrata Basak, assistant general manager of treasury department, along with other senior officials from both organisations were also present.

## BHBFC awarded for Best Innovative Idea

STAR BUSINESS DESK

The Bangladesh House Building Finance Corporation's (BHBFC) service named "The Smart Home Loan (SHL)" has been recognised by the Financial Institutions Division (FID) of the Ministry of Finance as the best innovative idea.

State Minister for Finance Waseqa Ayesha Khan attended the programme as the chief guest, read a press release.

FID Secretary Md Abdur Rahman Khan handed over an award and recognition certificate to Md Khairul Islam, general manager of BHBFC, at the Innovation Exhibition (Showcasing) of the e-Governance and Innovation Action Plan 2023-24 held at the finance ministry in the capital on Tuesday.

The senior executives of FID and various banks and financial institutions were also present.



**Md Khairul Islam, general manager of Bangladesh House Building Finance Corporation, receives an award and recognition certificate from Md Abdur Rahman Khan, secretary to the Financial Institutions Division of the Ministry of Finance, at the Innovation Exhibition (Showcasing) of the e-Governance and Innovation Action Plan 2023-24 held at the finance ministry in the capital on Tuesday.**

PHOTO: BHBFC



## 'Bangladesh can ship \$1b woollen sweaters by 2030'

STAR BUSINESS REPORT

Bangladesh has the potential to export \$1 billion worth of woollen sweater by 2030 up from the current \$100 million as the global market for such items is expanding fast riding on product diversity, a local sweater exporter said yesterday.

The use of woollen yarn is rising worldwide thanks to the production of diversified yarn from wool, said Mostafa Q Sobhan, managing director of Dragon Group, a Bangladeshi sweater exporting company.

He made the comments in a discussion with two Uruguayan wool exporters at Pan Pacific Sonargaon Dhaka.

Nearly \$20 billion worth of woollen garments are sold annually worldwide now, which is predicted to grow at 5.5 percent every year, Sobhan said.

If the prediction goes right, the global woollen garments market should be worth nearly \$30 billion by 2027, he said.

In the global markets, China, Turkey, Italy, Vietnam, and the UK are market leaders in woollen wear exports.

Uruguay is one of the largest processors of wool in South America and it exports primarily to the European markets and China, said Sobhan, who is also the honorary consul of Uruguay to Bangladesh.

Currently the spinning mills have a huge capacity to produce cotton yarns and other manmade yarns such as acrylic and viscose in Bangladesh, he said.

"Now, blending wool with cotton, acrylic and viscose will enhance return on investment and add value to our product offerings."

	PRICE (MAY 23, 2024)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 76	-2.86 ↓	.74 ↑
Coarse rice (kg)	Tk 48-Tk 52	-3.85 ↓	2.04 ↑
Loose flour (kg)	Tk 35-Tk 45	-9.09 ↓	-30.43 ↓
Lentil (kg)	Tk 105-Tk 110	0	13.16 ↑
Soybean (litre)	Tk 145-Tk 150	-3.28 ↓	-18.06 ↓
Potato (kg)	Tk 48-Tk 55	-1.90 ↓	25.61 ↑
Onion (kg)	Tk 70-Tk 75	16.00 ↑	0
Egg (4 pcs)	Tk 48-Tk 50	19.51 ↑	3.16 ↑

SOURCE: TCB

## Bangladesh Krishi Bank holds review meeting



**Md Nasiruzzaman, chairman of Bangladesh Krishi Bank, addresses a review meeting for the general managers of all divisions of the bank at its head office in Dhaka yesterday.** PHOTO: BANGLADESH KRISHI BANK

STAR BUSINESS DESK

Bangladesh Krishi Bank yesterday organised a special review meeting for the general managers of all divisions of the bank at its head office in Dhaka.

Md Nasiruzzaman, chairman of the bank, addressed the meeting as chief guest while Md Shawkat Ali Khan, managing director, presided over the meeting, the bank said in a press release.

Khan told the managers to place special emphasis on loan disbursement, loan recovery, and deposit collection.

Chanu Gopal Ghosh, Khan Iqbal Hossain and Salma Banu, deputy managing directors, were also present.

## Dhaka Motor Show begins

FROM PAGE B4

Meherun N Islam, president and group managing director of CEMS-Global USA and Asia Pacific, presided over the opening ceremony of the event inaugurated by Moshina Yasmin, executive member of the Bangladesh Investment Development Authority.

Md Tazul Islam, chairman of Bangladesh Road Transport Corporation, and Mohammad Abul Hossain, additional secretary of the youth and sports ministry, also attended the opening ceremony.

The gates of the show which will end on May 25 will remain open from 11am to 9pm every day.



**Moshina Yasmin, executive member of Bangladesh Investment Development Authority, cuts a ribbon to inaugurate the 17th Dhaka Motor Show organised by CEMS-Global USA at the Bangabandhu Bangladesh-China Friendship Exhibition Center in Purbachal, Dhaka yesterday.**

PHOTO: CEMS-GLOBAL USA

## Businesses want 1pc duty

FROM PAGE B4

(BKMEA) and different business chambers attended the meeting.

The event was led by Md Amin Helaly, senior vice-president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

Helaly told The Daily Star that the government has targeted to produce 12,497 megawatts (MW) of renewable energy, such as through solar panels and wind turbines, by 2030.

Currently, 437MW of electricity comes from the renewable energy sources

and the government has the target to produce 1,641MW of renewable energy by 2025, he said.

To achieve the target, the government should facilitate the businesses so that they can produce renewable energy easily, he added.

Helaly also said yesterday's meeting was a preparatory meeting for another scheduled to be held with Prime Minister Sheikh Hasina on Saturday to discuss the overall situation of the economy such as trade, business and banking and

different challenges and opportunities.

The businesses will also hold another meeting on the business environment with Salman F Rahman, adviser to the prime minister on private industry and investment, at Bangladesh Investment Development Authority (BIDA) in Dhaka on Saturday.

Mohammad Ali Khokon, president of the BTMA, said the international clothing retailers and brands have also set a target for the local garment suppliers on the use of clean energy but

they are facing difficulties on the import of solar panels because of the high duty.

Energy use transition from fossil fuels to renewable energy is important as per the requirements of international clothing retailers and brands.

Bangladesh has been making the transition as its export destinations have targeted emission reductions as per the Paris agreement under the United Nations Framework Convention on Climate Change.

## The \$5 trillion

FROM PAGE B4

firms borrowed \$1 trillion to build out fiber-optic cable and mobile phone networks, according to the chairman of the US Federal Communications Commission. That was equal to about 3 percent of world GDP at the time. A \$7 trillion investment program today would equal about 30 percent of US GDP for one year, or about 7 percent of the world's annual economic output.

The investments currently being made will only make sense if they generate huge profit, however.

### Government of the People's Republic of Bangladesh Planning Division, Ministry of Planning Strengthening Digital Processing of Projects (SDPP) (1<sup>st</sup> Revised)

#### Invitation for Re-Tender

1	Ministry/ Division	Planning Division
2	Name of Procuring Entity	Strengthening Digital Processing of Projects (SDPP) (1 <sup>st</sup> Revised)
3	District of Procuring Entity	Dhaka
4	Ref. Number and Date	20.29.0000.000.07.098.24-449; Date: 23 May 2024
5	Tendering method	Open Tender
6	Budget and Source of Fund	Development Sector (GoB)
7	Invitation for-	(1) Procurement of ICT equipment's including Environment Monitoring System, Access Controller for Data Center and (2) Procurement of Display Equipment
	Package # GD-01/2023-24	GD 01; Procurement of ICT equipment's including Environment Monitoring System, Access Controller for Data Center
	Package # GD-04/2023-24	GD 04; Procurement of Display Equipment
8	Tender Last Selling Date	02/06/2024 before 03.00 PM
9	Tender Closing Date and Time	03/06/2024 at 12.00 PM
10	Tender Opening Date and Time	03/06/2024 at 12.15 PM (GD-01) and at 12.30PM (GD-04)
11	Name & Address of the office for selling of tender document and place for receiving & opening of tender	Deputy Project Director, SDPP Project, Room-13, Bhaban-13, Planning Division, Sher-E-Bangla Nagar, Dhaka
12	Price of tender document (Tk)	GD-01: 1000.00 Taka (Non-refundable) GD-04: 2000.00 Taka (Non-refundable)
13	Tender Security Amount (Tk)	GD-01: 30,000.00 Taka (Refundable) GD-04: 1,65,000.00 Taka (Refundable)

#### Brief Eligibility and Qualification of Tenderer:

##### for package GD-01

- The Bidder should have a minimum of 3 years of Overall Experience of satisfactory completion of supply of the Goods and related services in any Government/Semi Government /Autonomous organization, bidder should submit NOA and Completion Certificate.
- Bidder should have Specific Experience of satisfactory completion of supply of 2 (two) contracts of supplying similar goods in any Government/Semi Government /Autonomous organization in last 3 (Three) years with a minimum value of BDT 9,00,000.00 each, i.e. years counting backward from the date of publication of IFT. Bidder must submit NOA and Completion Certificate from respective PE mentioning value of the contract.

##### for package GD-04

- The Bidder should have a minimum of 5 years of Overall Experience of satisfactory completion of supply of the Goods and related services in any Government/Semi Government /Autonomous organization, bidder should submit NOA and Completion Certificate.
- Bidder should have Specific Experience of satisfactory completion of supply of 2 (two) contracts of supplying similar goods (Video Conference System) in any Government/Semi Government /Autonomous organization in last 5 (Five) years with a minimum value of BDT 50,00,000.00 each, i.e. years counting backward from the date of publication of IFT. Bidder must submit NOA and Completion Certificate from respective PE mentioning value of the contract.
- Manufacturer's Authorization Letter must be submitted.

#### Special Condition:

- Bound to follow the rules of PPR 2008
- Tenderer should submit a tender along with the written application in letterhead pad in accordance with the terms of the schedule to Project Director, Strengthening Digital Processing of Projects (SDPP) (1<sup>st</sup> Revised).
- Tenderer must submit updated trade license, updated income tax and VAT certificate, recently (Last 03 months) issued bank solvency certificate, manufacturer authorization, Incorporation certificate (if any), experience certificate, etc. with tender.
- Tender security, in form of Bank Draft/Pay Order/Bank Guarantee, should be provided in favor of Project Director, Strengthening Digital Processing of Projects (SDPP) (1<sup>st</sup> Revised), Planning Division.
- Tenderer must be the owner of the company or responsible other person must authorized by the owner.
- Without any reason, authority reserves the right to cancel the tender process in any stage.

#### Address of the Tenderer:

Project Director, Strengthening Digital Processing of Projects (SDPP), Planning Division, Room - 14, Block - 13, Planning Commission Campus, Sher-E-Bangla Nagar, Dhaka-1207. Phone:9180624; E-mail: pd.sdpp@plandiv.gov.bd Website: www.plandiv.gov.bd

Dr. Nurun Naher  
Project Director  
SDPP Project, Planning Division

## 8 stock market intermediaries honoured with Golden Jubilee Award

### STAR BUSINESS REPORT

The stock market regulator Wednesday awarded eight capital market intermediaries for their contribution to the stock market.

Stock broker and dealer, merchant banker, and asset management companies have been honoured with the Independence Golden Jubilee Award 2023 in an event at Pan Pacific Sonargaon in Dhaka.

IDLC Securities won the first prize in the broker-dealer category where BRAC EPL Stock Brokerage stood second and Shanta Securities third.

In the merchant banking category, Prime Bank Investment topped the list while Islami Bank Capital became second and Southeast Bank Capital third.

ACACIA SR Investment Management won the first prize in the asset

### Bangladesh Securities and Exchange Commission gave the awards

management category where ICB Asset Management Company Ltd stood second. But there was no eligible firm for the third position in the category.

The Bangladesh Securities and Exchange Commission (BSEC) also handed over integrity award to three of its officials: Mohammad Rakibur Rahman, additional director; Somir Ghosh, personal officer, and Md Sujan Alam, office assistant.

Speaker Shirin Sharmin Chaudhury handed over the awards as the chief guest at the event chaired by BSEC Chairman Professor Shibli Rubayat-Ul-Islam.

State Minister for Finance Waseqa Ayesha Khan and Financial Institutions Division Secretary Md Abdur Rahman Khan were also present in the event.



A buyer is seen comparing two helmets at a shop in Barishal city. Helmet sales have practically doubled ever since the authorities started imposing a "no helmet, no fuel" policy to improve road safety, according to market players. The picture was taken yesterday. PHOTO: TITU DAS

# Greening SMEs the need of the hour: experts

### STAR BUSINESS REPORT

Bangladesh may face significant barriers in exporting products to European nations in the future unless small and medium enterprises (SMEs), which provide intermediate goods and raw materials to large industries and brands, focus on greening their production units, experts said yesterday.

"Bangladesh will face difficulties exporting goods to developed countries within five to 10 years if factories in the country are not green because the EU will strictly follow the Ecodesign for Sustainable Products Regulation," said Md Abdur Rahim Khan, director general of the Department of Inspection for Factories and Establishments (DIFE).

He was speaking at a seminar, titled "Green SMEs for sustainable economic development in Bangladesh", organised by the SME Foundation in association with Aspire to Innovate (a2i) at the Bangabandhu International Conference Center yesterday.

According to Khan, the DIFE does not only observe environmental issues during inspections, but also assesses the sustainability of factories.

Mirza Nurul Goni Shovan, a member of the SME Foundation's board, added that

exporters will have to mention the source of raw materials and intermediate goods on product labels in order to export to developed countries after Bangladesh graduates from least developed country (LDC) status in 2026.

To protect their business interests, large industries must bear the responsibility of greening SMEs by creating awareness, he said. However, he added that local SMEs are not financially capable of greening their production units at this moment. So, he emphasised the need to incentivise green SMEs through tax benefits.

Ismat Zarin Khan, another member of the SME Foundation's board, said greening SMEs is the need of the hour.

She urged entrepreneurs to place their problems to the SME Foundation so that it can address them.

Farina Ahmed, secretary of the Ministry of Environment, Forest and Climate Change, said that plastic products have breached every sector, which raises health concerns.

"If we do not correct ourselves or protest the pollution of the environment, then the next generation will suffer. We need to protect the environment and nature," she added.

Md Zillur Rahman, a professor and chairman of the Department of Disaster

Science and Climate Resilience at the University of Dhaka, emphasised the use of renewable energy instead of fossil fuels, which cause pollution.

He further suggested adopting energy-efficient technologies to reduce air pollution.

And although he conceded that such measures require a large investment, he added that there was no alternative to mitigate the impacts of climate change.

In his keynote, Suborna Barua, a professor of international business at the University of Dhaka, said transitioning to green SMEs would ensure sustainability by minimising waste and pollution while promoting the principles of a circular economy.

"There is a prospect to access untapped markets, enhance productivity, and gain cost advantages and competitiveness in international business by making SMEs green," he said.

He added that customers in developed nations prefer environment-friendly and recyclable products, but there are financial and non-financial constraints to implementing green concepts in SMEs.

Salahuddin Mahmud, managing director (additional charge) of the SME Foundation, presided over the seminar.

## Legend Holdings owner, wife banned from leaving country

### STAR BUSINESS REPORT

A Chattogram court yesterday banned Legend Holdings owner SM Abdul Hai and his wife from leaving the country for their repeated failures to appear at court hearings.

Chattogram Money Loan Court Magistrate Mujahidur Rahman issued the order in a Tk 152 crore loan default case filed by Social Islami Bank Ltd.

As per the copy of the order, the court issued the directive after Abdul Hai failed to show up at hearings on multiple occasions, citing illness.

He owes as much as Tk 600 crore to different banks, said the order, adding that the value of the collateral put up to secure the loans is insubstantial.

His wife, Nilufar Akhter, and Legend Holdings director Morshed Shamsur Hossain Himadri were banned from leaving the country.

Hai, a Chattogram-based businessman, is thought to have left the country already.

**Hai owes as much as Tk 600 crore to different banks, said the order, adding that the value of the collateral put up to secure the loans is insubstantial**

"They have not given any satisfactory explanations for their absence at court," said the order.

Despite several attempts, this correspondent could not reach Hai for comments as his publicly listed number is not in service.

The court ordered the Superintendent of Police (Immigration) of the Special Branch to take steps to ensure that they can't leave the country.

Hai served the Chittagong Metropolitan Chamber of Commerce & Industry as a director in 2019 and previously.

Legend Holdings has business interests in shipbreaking and ready-made garments industries.

STOCKS	
DSEX ▼	CASPI ▼
1.09%	0.99%
5,312.39	15,403.37

COMMODITIES	
Gold ▼	Oil ▼
\$2,356.34	\$77.15
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 1.01%	▲ 1.26%	▲ 0.34%	▼ 1.33%
74,970.95	39,103.22	3,319.31	3,116.39

## Agriculture should get

### FROM PAGE B1

"Our production has increased. Food security has improved. Although the producers incurred losses in some aspects, their overall income increased. There is diversity in agriculture," he said.

Farmers are cultivating not just grains, but also flowers, fish and fruits alongside cattle, he added.

"There are also challenges. The amount of land available for cultivation is decreasing," he said, adding that efforts were being made to bring lands in hilly and coastal areas under cultivation, albeit on a limited scale.

Mandal added that the progress in production must continue and the big challenge now is finding ways to do so.

Since the population is increasing, the yield will have to be doubled. And the only way to do this is to increase the use of modern technology, he said.

Muhammad Abdur Razzaque, chairman of the parliamentary standing committee of the agriculture ministry, said there is a good possibility of cultivating a diverse range of crops commercially to tackle the food shortage.

"Bangladesh is still a food deficient country. There is a lot of land left unused for long periods of the year due to salinity and irrigation problems. In this case, there is a good possibility of cultivating a diverse range of crops commercially," he said.

## FID acting as a regulator

### FROM PAGE B1

This is because the mandate of the FID clearly states that its primary function is to ensure proper administration and interpretation of the Bangladesh Bank Order, 1974.

Besides, orders relating to specialised banks, state-owned banks, and insurance and financial institutions all fall under the purview of the FID as well, said Fahmida Khatun, executive director of the CPD.

"And by asserting this function in its mandate, the FID has established its authority to oversee the governance of Bangladesh Bank," she added.

She made these comments at a dialogue, styled "What Lies Ahead for

In many cases, such crops can be produced without hampering rice cultivation. Through this, food security will be attained and export earnings will also increase, added Razzaque, a former agriculture minister.

Atiur Rahman, professor emeritus of the Department of Development Studies at the University of Dhaka, said agricultural land is falling prey to urbanisation, which is having a major impact on crop production.

He said noticeable efforts are being made to attract investment in economic zones, but the effort to attract investment in agriculture is less visible, he said.

Hossain Zillur Rahman, executive chairman of the Power and Participation Research Centre, said agriculture may be the most important factor when it comes to earning foreign currency after garments and remittances. So, it needs to be prioritised in policy, he said.

Professor MM Akash, faculty of BIDS Graduate School of Economics, said small farmers should be given guarantees of just prices for their harvests, provided credit on easy terms, and adopt efficient technology to increase agricultural production.

Geof Wood, professor emeritus of international development at the University of Bath, also spoke at the event.

the Banking Sector in Bangladesh?", organised by the CPD at Lakeshore Hotel in Dhaka.

Fahmida also pointed out that the FID's mandate directly contradicts the Bangladesh Bank Order, which states the main function of the central bank is to regulate and supervise banking companies and financial institutions.

"So, it seems a regulator was formed to oversee another regulator," she said.

Ever since the establishment of the FID, new banks have been given licences on political grounds, the rate of non-performing loans has increased and overall governance in the banking sector has worsened significantly, she added.

## Broad reforms vital to restore trust in banks: CPD

### FROM PAGE B1

**Commercial banks**  
Commercial banks need to be strengthened and the appointment of board members should be depoliticised and made based on their qualifications and experiences, the CPD said.

Loans should be sanctioned in line with the central bank's rules, it said.

"The single borrower exposure limit should be strictly enforced, and banks should permanently stop repeated rescheduling and write-offs of NPLs. The internal control and compliance departments should be revitalised, and effective internal audits should be put in place."

The think-tank requested the central bank appoint courageous administrators to oversee the operation of troubled banks.

### Bangladesh Bank

The autonomy of the central bank

must be upheld, the CPD said.

The recapitalisation of poorly governed banks with public money should be stopped, and an exit policy for troubled banks should be formulated by protecting depositors' interests, it said.

No licences for new banks should be given on political grounds and without pragmatic assessment of the needs of the economy, it said.

"A single individual or group of individuals must not be allowed to obtain the majority ownership of more than one commercial bank."

### Legal environment

A conducive legal environment has to be created to bring back governance to the banking sector, said Fahmida.

"The Banking Companies Act should be amended to reduce the number of members on the board from a single family and the tenure of each director to enhance

transparency and accountability."

She called for raising the number of judges at money loan courts to ensure speedy disposal of cases and reduce the backlog.

The Bankruptcy Act needs to be amended to remove mortgage-related loopholes that cause delays in settling loans, said the think-tank, adding that efforts should be initiated to recover NPLs through out-of-court procedures such as alternative dispute resolution.

The CPD said all banks should be obliged to make mandatory disclosures under BASEL III in a timely fashion and loans should be classified as per international standards.

"A comprehensive risk management policy should be implemented at banks to detect and deter frauds, forgeries, fake companies, false identities, and other malpractices."

It called for setting up a goal-

specific, time-bound, unbiased, and independent citizen's commission on banking.

"The commission will have to work to improve the prevailing situation, identify the root causes of the manifest problems, and suggest credible measures."

The think-tank said NPLs must be brought down through a comprehensive framework. Mergers can proceed only after proper auditing of weak banks.

Directors of weak banks can't be allowed to sit on the board of strong banks after the merger, the CPD said.

It urged the government not to inject any capital into the proposed public asset management company (AMC) to buy NPLs since it has already supported weak banks using taxpayers' money. International AMCs may be invited to resolve the NPL problem.

## Stocks keep bleeding

### FROM PAGE B1

He added that many stocks are currently trading at a very low price multiple, but most investors are not trading as they want to time their investments for better returns.

Of the large-cap sectors, non-bank financial institution (NBF) experienced the highest loss of 2.51 percent followed by food and allied, engineering, pharmaceuticals, fuel and power, bank, and telecommunication, according to the daily market update of BRAC EPL Stock Brokerage.

As per the daily market update of UCB Stock Brokerage, all the sectors closed in negative territory with decreased turnover. Life insurance, NBF, and information technology were the top three sectors to close in the negative.

Daily turnover, which indicates the volume of shares traded, stood at Tk 508 crore, down 14.13 percent

compared to the previous session, the market update showed.

The pharmaceuticals sector dominated the turnover chart, covering 15.52 percent of the day's total.

Orion Pharma Ltd was the most traded stock, with turnover of Tk 25.8 crore. Meanwhile, Lovello contributed Tk 14.08 crore, Orion Infusion Tk 10.19 crore and Alif Industries Limited Tk 9.30 crore.

In its market update, Shanta Securities said market movement was driven by negative changes in the market cap of travel and leisure, fuel and power, and paper and printing scrips.

On the other hand, turnover in the block market stood at Tk 19.19 crore, representing 37.8 percent of the overall turnover.

A block trade is a high-volume transaction in a security that is privately negotiated and executed outside the open market.

Of the 379 issues that changed hands, 319 saw their prices fall while 42 managed to nudge higher. Meanwhile, 56 did not see any fluctuation.

New Line Clothings topped the gainers' list with 9.48 percent followed by Active Fine Chemicals with 9.35 percent.

Sintex Industries, Yeakin Polymer, Pubali Bank, AFC Agri Biotech, Apex Spinning and Knitting Mills and Rahima Food Corporation placed on the gainers' chart as well.

Unilever Consumer Care shed the most, losing 2.99 percent.

Apex Foods, Eastern Cables, Bangladesh Submarine Cables, Sonali Aansh Industries, Kohinoor Chemicals Company, Apex Footwear, Agni Systems, Beach Hatchery, and Gemini Sea Food lost more than 2 percent each.

BAT Bangladesh, Renata, BRAC Bank, Beximco Pharmaceuticals,

Beacon Pharmaceuticals, LafargeHolcim Bangladesh, Khan Brothers PP Woven Bag Industries and Best Holdings also placed on the losers' list.

The Chittagong Stock Exchange witnessed a similar trend.

The Caspi, the main index of the port city bourse, edged down by 154.94 points, or 0.99 percent, to close at about 15,403 points.

Rajesh Saha, chief executive officer of CAL Securities, said he did not expect such a situation in the country's stock market.

"I think policy decisions taken at different times have affected investors," he said.

"Actually, when you come into the stock market, you expect fundamentally sound shares will move. But there is no such environment here to move them," he added, also citing the lack of participation from institutional and foreign investors.

## Dhaka Motor Show begins in Purbachal

STAR BUSINESS REPORT

The 17th edition of the Dhaka Motor Show kicked off at the Bangabandhu Bangladesh-China Friendship Exhibition Centre (BBCFEC) in Purbachal area yesterday.

Automotive manufacturers of over 175 companies from 17 countries, including Japan, India, China, Malaysia, South Korea and the USA, are showcasing latest cars, bikes and other aftermarket supporting parts for vehicles in the show occupying more than 600 booths.

The annual show also includes three more specialised expos titled the "8th Dhaka Bike Show 2024", "7th Dhaka Auto Parts Show 2024" and "6th Dhaka Commercial Automotive Show 2024", the event's organiser CEMS Global USA said in a statement.

At the exhibition, buyers, visitors and entrepreneurs can get acquainted with brand new vehicles, cars, parts and latest accessories and meet up with fellow local enthusiasts, the statement read.

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## Businesses want 1pc duty on solar panel import

STAR BUSINESS REPORT

Businesses yesterday demanded that the government lower the duty on the import of solar panels meant for use in industrial plants to 1 percent in order to facilitate the implementation of a national roadmap on renewable energy production.

The existing import duty on solar panels varies between 43 percent to 58.60 percent, which the businesses say is very expensive for industrial units.

The demand was made during a meeting of businesspeople with Tawfiq-e-Elahi Chowdhury, adviser to the prime minister for power, energy and mineral resources, at the Prime Minister's Office in Dhaka.

Leaders of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh Textile Mills Association (BTMA), Bangladesh Knitwear Manufacturers and Exporters Association

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## 20 firms honoured with President's Award for industrial development

STAR BUSINESS REPORT

Twenty companies have been honoured with a "President's Award for Industrial Development 2021" yesterday for their outstanding contribution to the national economy.

Industries Minister Nurul Majid Mahmud Humayun handed over the awards through a ceremony organised by the industries ministry at Osmani Memorial Auditorium in Dhaka, according to a press release.

The awards were conferred in six categories. Echotex, Pran Dairy and Mir Akhter Hossain jointly won the first prize in the large industry category while Square Food & Beverage took second place and Snowtex Outerwear and Square Toiletries the third.

In the medium industry category, Bengald Poly & Paper Sack won first place, Basumati Distribution came in second and APS Apparels third.

In the small industry category, Reliable Builders and Concord Entertainment Company shared first place, Rangpur Foundry Limited (RFL) took second place, and Gunze United came in third.

Fariha Green Mood Leathers placed top in the micro-industry category, followed by ABM Water Company in second and Deeplaid Laboratories in third.

Bluestar Agro and Winery Pvt won first place in the cottage industry category, followed by Preeti Beauty Parlour in second and Lehas Salma Jubo Women's Welfare Organisation in third. In the high-tech industry category, Bizz Solutions won an award.



The Dada Match factory in Khulna city is seen covered in overgrowth as the grounds have remained vacant ever since the factory's closure in 2010. With virtually no initiatives having been taken to reopen the unit, most of the machinery and equipment have either been destroyed or stolen. The picture was taken recently.

PHOTO: HABIBUR RAHMAN

# Dada Match factory fading away amid lack of initiatives for reopening

DIPANKAR ROY, Khulna

The once renowned state-run Dada Match factory in Khulna city may soon fade away from people's memory as no effective measures have been taken to reopen it in the past 14 years.

About 1,950 workers lost jobs when Bhaiya Group, which operated the factory on lease, decided to shutter the unit citing huge losses on August 18, 2010.

Most of the workers were terminated without pay and migrated elsewhere for employment while much of the machinery and equipment have been damaged or stolen for being left unprotected.

As such, many continue to struggle and hope the factory will reopen someday.

"I spent 20 of my best years here before being suddenly terminated without any cause," said Taiyab Kha, a former worker who still lives near the unit.

Having lost his income, Kha was compelled to send his family back to their village.

"I cannot explain my agony. Many a time, I tried and failed to get my dues. Now, I grow vegetables on the factory's abandoned land and sell it. Sometimes, I drive a rickshaw or work as a day labourer," he added.

HM Shahadat Hossain, general secretary of the Dada Match Workers' Union, said despite the assurance of Prime Minister Sheikh Hasina, local lawmakers, workers' bodies and government agencies have failed to help revive the factory.

"We have contacted many agencies to convince them that this factory is a viable project. We urged the government to take steps to resume its operation without any

further delay."

Hossain also said the factory was closed down due to a dispute between Bhaiya Group and the government but did not go into the details.

However, he did say the company started taking loans continuously after leasing the factory but could not run the unit.

Rahamat Mia, another former worker who lives near the factory, said they were initially told the factory would reopen within three months of its closure.

"I worked at the factory for almost 10 years and my father worked there before me. There was never a loss before the government handed it over to the private sector."

During a recent visit to the factory, it was found that abandoned goods were lying in several of its warehouses while some workers and their families were present at its labour colony.

The factory grounds were covered in overgrowth and the remaining machinery had turned to scrap. Additionally, not a single security guard was in sight.

As a result, influential locals can openly loot the factory, said Nurul Haque, in-charge of factory maintenance on behalf of Bhaiya Group.

"More than 500 motors, 200 manual cranks, 500 fans and other machinery have already been stolen."

Haque also said they have made complaints regarding the issue to various departments, including the local police and the district administration. "But still we did not get any remedy."

The factory began production in 1955 on 17.79 acres of land in the Rupsha area of

Khulna city. The main raw material used for producing the matches was Gewa timber from the Sundarbans.

Initially, the factory could produce around 12,500 matchboxes each day.

The government had nationalised the factory in 1973 and after Hussain Muhammad Ershad seized power in 1982, the de-nationalisation policy was introduced.

Dhaka Match Industries Company Limited was formed under that policy in 1984, with the government offloading 60 percent of its shares to a Swedish company and 10 percent to a Swedish fund. It kept the remaining 30 percent.

Dhaka Match Industries Company Limited was the holding company of the Dhaka Match factory as well as Dada Match factory. In 1989, the Swedish company sold its shares to Bhaiya Group.

Dhaka Match factory was closed in 2005 and Dada Match factory was shut in 2010.

On March 5, 2011, Prime Minister Sheikh Hasina held a public meeting in Khulna city, where she announced the Dada Match factory would be revived under the Bangladesh Chemical Industries Corporation (BCIC).

On March 23 that year, the deputy commissioner of Khulna took over the factory on the instructions of the industries ministry.

According to the deputy commissioner's office, there was a security arrangement made up of local police and ansar members. But when the coronavirus pandemic broke out in 2020, the security was evacuated and the factory has since been left unprotected.

Khandaker Yasir Arefin, the deputy commissioner of Khulna, said BCIC is now responsible for taking any decision regarding the reopening of the factory.

## Winning over your boss

MAHTAB UDDIN AHMED

Pleasing your boss can sometimes feel like the game of Tom & Jerry, where you are Jerry trying desperately to avoid being Tom's next kill.

Keeping the boss pleased is crucial to keeping any job, and yet it is never mentioned in the job description. But fear not! This daunting task can be turned into a delightful dance of professional harmony with a dash of humour and some simple strategies.

Trying to understand the boss often seems like learning the oddities of a peculiar pet. They all have unique preferences and tantrums that are not always predictable. But once you crack the code, it can be a smooth sail.

Does the boss love coffee? Be the caffeine connoisseur you never thought you could be and watch how a perfectly timed steaming cup works the wonders of a peace treaty without compromising your core values.

The guidance and support I received from some of my bosses shaped my professional journey. Encountering exceptional leaders at various stages significantly influenced my growth, steering me towards the success I might not have achieved otherwise.

However, not all experiences were positive. I faced toxic bosses, too, one turning out to be particularly detrimental. These experiences taught me how employees often prioritise the quality of their direct supervisor over the company itself.

One of the secrets to winning over your boss is to be an avid listener, sporting donkey ears if need be. Mind it, it is not the kind of listening where you nod absentmindedly, but the genuine, active listening as you listen to your spouse! (Excuse the pun).

Picture this: your boss is explaining a new project. You are maintaining eye contact, nodding in all the right places, and maybe even taking notes. Your boss will appreciate the effort, and you might actually understand the task at hand. A win-win!



Know that deadlines are sacred. Meeting them is crucial to demonstrating your commitment. Delivering projects early is like finding a bonus fry at the bottom of a fast-food bag.

Communication is another key aspect. Regular updates, clear explanations, and a positive attitude make the boss feel in control, which is essential for a smoothly running team. According to Harvard Business Review, 95 percent of employees believe communication is vital for pleasing the boss.

When proposing ideas and suggestions, be bold but tactful. The boss may appreciate innovative thoughts, but they are still the captain. Propose ideas confidently but be prepared for them to be adjusted or discarded.

Flexibility is another trait that pops brownie points. Work environments are unpredictable, and being adaptable shows you are a team player. And wear your enthusiastic jacket for last-minute meetings and urgent tasks.

Nothing beats a positive attitude. A smile and a good sense of humour can be magical making even the dullest tasks bearable. Laughter is contagious; if you can make your boss laugh, then you have hit the jackpot. LinkedIn Solutions says managers highly value a positive and proactive attitude (88 percent).

Pleasing the boss is not about grand gestures or elaborate schemes. It is more about understanding their needs, being dependable, and throwing in some humour and positivity into your daily interactions. Brew that perfect cup of coffee, listen as if your job depends on it, and keep that smile handy. Your boss will appreciate you, even if it is just silently through a less intimidating email.

Our work occupies a significant part of our lives, and the only way to achieve true job satisfaction is to engage in work that feels meaningful. If your boss is toxic, don't fixate on them; concentrate on the job itself. Focusing on the problem will keep you stuck, but focusing on your goals will help you overcome obstacles and succeed.

The only way to produce great work is to love what you do. Keep searching and never settle until you find that holy grail.

The author is founder and managing director of BuildCon Consultancies Ltd.

# The \$5 trillion AI boom could both succeed and fizzle

REUTERS, New York

Artificial intelligence models can produce apparently brilliant responses to human queries which on closer examination reveal bits of possibly regurgitated nonsense. A similar dynamic may be at work in the ballooning investments and valuations of technology companies seeking riches from self-teaching computers. From railways to telecom networks, previous booms in capital-intensive industries show that new technologies can change the world, yet leave investors short-changed.

Investors cannot get enough of AI. OpenAI, the startup behind the ChatGPT chatbot, raised funds in February at an \$80 billion valuation, or nearly three times as much as a year ago. Smaller rivals Anthropic and Mistral have seen similar gains. Yet established tech giants have enjoyed the biggest windfall. The collective market capitalization of Microsoft, Amazon.com, Alphabet and Meta Platforms has risen by \$5 trillion since the release of ChatGPT in November 2022.

For firms designing AI models and building the networks that train and run them, the response has been a spending arms race to grab new markets and

prevent rivals from disrupting their existing businesses. Microsoft, Amazon, Alphabet and Meta collectively splurged \$200 billion on capital expenditure last year, with about half that sum going towards technological infrastructure, according to Bernstein. The research firm

estimates this will increase by over 50 percent this year, mostly because of AI.

Chinese President Xi Jinping has just given the strongest signal yet that he is determined to revive the country's housing market.

Compared to these huge sums, the

income generated by AI remains small. Sequoia estimates generative AI now brings in about \$3 billion a year in revenue, up from zero a year ago. However, the venture capital firm notes that it took companies offering software as a service a decade to reach a similar threshold.

The promise of future riches has unleashed some gigantic forecasts for the spending needed to make the advanced semiconductors, build the data centers, and generate the power to train and run AI models. OpenAI boss Sam Altman earlier this year put the figure at up to \$7 trillion, a person familiar with the matter told the Wall Street Journal.

Such a wild binge might even be justified. Smart systems which automate more labor, manipulate bigger piles of data, and complement or surpass human intelligence could be worth many multiples of that amount. Moreover, the world has experienced similar-sized booms before.

Take railways. Cumulative investment in building the United Kingdom's train network between 1845 and 1850 was equal to about 30 percent of Britain's gross domestic product in 1850, according to economic historian Andrew Odlyzko. At the end of the 20th Century, telecom

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PHOTO: REUTERS/FILE

An AI sign is seen at the World Artificial Intelligence Conference (WAIC) in Shanghai, China. The collective market capitalization of Microsoft, Amazon.com, Alphabet and Meta Platforms has risen by \$5 trillion since the release of ChatGPT in November 2022.