

Star BUSINESS

The prices of broiler chicken and eggs, staple sources of protein for many middle and low-income groups, have increased over the past week

Story on B4



Exports slide 16% in May

Overall receipts stand at \$51.54b in July-May

REFAYET ULLAH MIRDHA

Merchandise exports from Bangladesh declined 16.06 percent year-on-year to \$4.07 billion in May due to the poor performance of major sectors such as garments, jute and jute goods, and leather and leather products, official figures showed yesterday.

However, overall shipments grew 2.01 percent to \$51.54 billion in July-May, according to data from the Export Promotion Bureau (EPB).

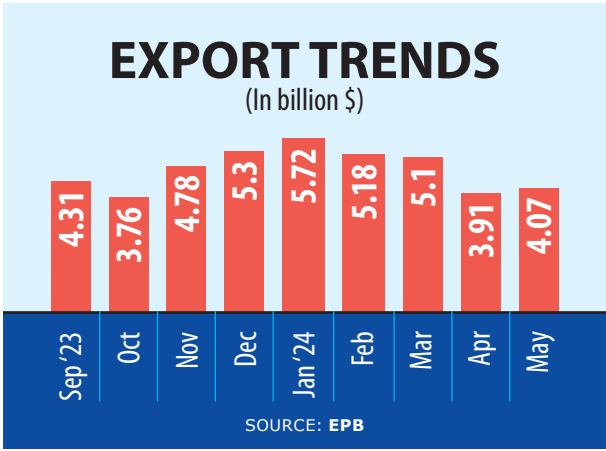
May's drop comes at a time when the government is looking to give a much-needed fillip to the foreign exchange reserves and reverse the widening deficit in the financial account on the back of export and remittance earnings, the two biggest sources of international currencies for the country.

SM Mannan Kochi, president of the Bangladesh Garment Manufacturers and Exporters Association, blamed the global inflationary pressures for the reduction in exports.

The shipment was severely impacted by the slide in demand as consumers in the western markets are still reeling from an elevated level of prices, fuelled by the lingering impact of the Covid-19 pandemic and the raging Russia-Ukraine war.

The sales of garment items, which account for more than 84 percent of Bangladesh's total annual exports, grew 2.86 percent to \$43.85 billion in the first 11 months of the current financial year.

Knitwear shipments grew 6.15 percent year-on-year



to \$24.70 billion in July-May, but the exports of woven garments fell 1.09 percent to \$19.14 billion.

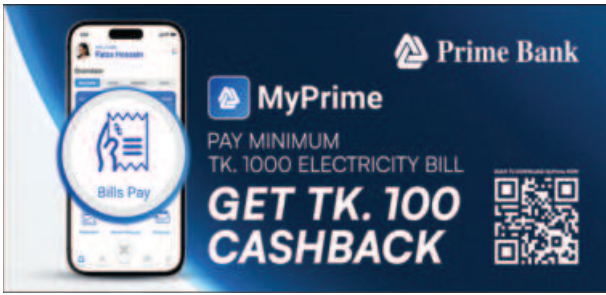
Garment shipments to the US and the European Union declined by 7.18 percent and 12.84 percent, respectively, said Kochi.

The price of garment items exported from Bangladesh to the US fell by 8 percent, while it declined 18 percent in the EU, he said.

According to the EPB, the export of jute and jute goods fell 7.53 percent to \$784.69 million in July-May.

Md Saiful Islam, a former director of the Bangladesh Jute Spinners Association, said the imposition of a 2 percent source tax on export receipts since 2020 has discouraged exporters, which impacted the sales of jute and jute goods.

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Banking reforms remain a pipe dream

MD MEHEDI HASAN

In his budget speech for 2019-20, former finance minister AHM Mustafa Kamal hinted that the government was thinking of undertaking a number of reforms to bring about discipline in the banking sector.

He would go on to refer to such reforms while announcing the next four budgets, but only a few were ever implemented, leading to the sector becoming even more undisciplined.

The government and the central bank managed to take some initiatives, including amending a bank company act and a central bank roadmap to address governance issues.

Yet, good governance in the banking sector remains a far cry as these measures alone remain ineffective.

So, as new finance minister, Abul Hassan Mahmood Ali, gears up to place his first budget for FY25, the lack of good governance in the banking sector remains a widely discussed issue.

At present, the banking sector is struggling with a high volume of bad loans and stressed assets alongside weak financial health of some banks, liquidity challenges in a good number of Islamic

banks and weak regulations of Bangladesh Bank.

At the end of 2023, defaulted loans in the banking sector stood at Tk 145,633 crore, up 64.12 percent from Tk 88,734 crore at the end of 2020.

Meanwhile, stressed assets, including written-off loans and rescheduled loans, stood at Tk 377,922 crore, central bank data showed.

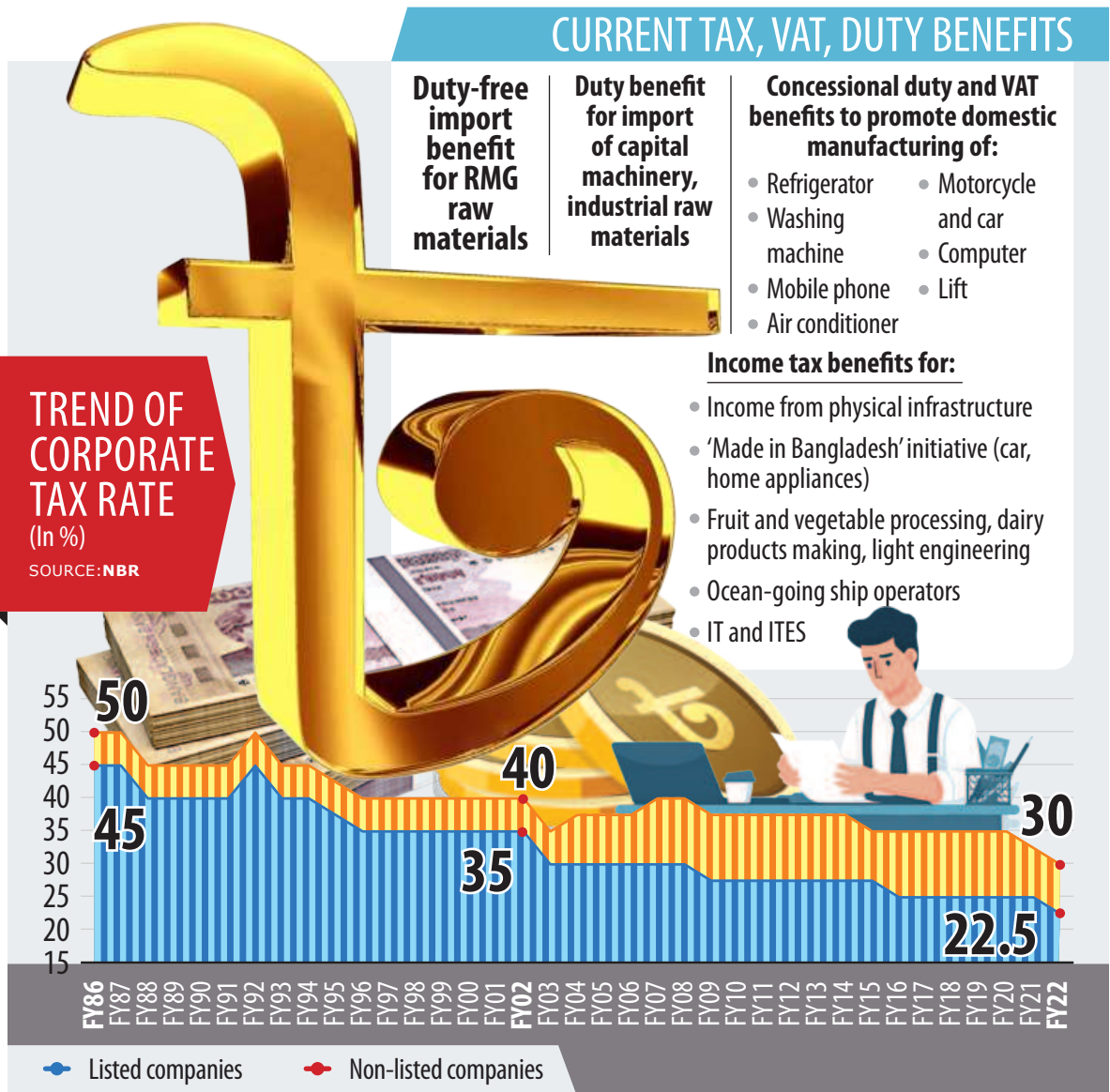
Central bank officials also said bad loans increased sharply in the January-March quarter this year.

For instance, till March of this year, state-run Janata Bank's bad loans stood at Tk 30,495 crore, or 31 percent of its disbursed loans, up from Tk 25,009 crore, or 25 percent of its total loans, at the end of December last year.

Similarly, soured loans at Sonali Bank stood at Tk 14,988 crore, or 14.84 percent of total disbursed loans, till March this year, up from Tk 13,340 crore, or 13.23 percent of total disbursed loans, at the end of last year.

A dozen banks, including Padma Bank, National Bank, Basic Bank, Janata Bank and ICB Islamic Bank, have become weaker in this manner.

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How far have fiscal measures promoted industrialisation?

MD ASADUZ ZAMAN

The government is likely to extend tax exemptions for the information technology sector for three more years as the current phase of concessions ends on June 30.

Finance Minister Abul Hassan Mahmood Ali is likely to announce the extension today when he unveils his as well as the new government's first budget.

The IT sector has been enjoying the tax break for several years. It is one of the many sectors that have been allowed tax and VAT exemptions as well as concessional import duties as the government looks to spur industrialisation, create jobs for the millions of youths joining the workforce each year, and accelerate economic growth.

For example, the corporate income tax has halved over the past four decades.

However, questions remain whether the generous tax treatments as well as overall fiscal policies have drawn investments and facilitated manufacturing growth.

Economists and businesses have

been affirmative.

Sadiq Ahmed, vice-chairman of the Policy Research Institute (PRI) of Bangladesh, said the fiscal policy has contributed to the boom of the readymade garment sector, which in turn generated jobs directly and supported the development of backward linkages and yarn and fabric textile enterprises, indirectly.

"The decision to allow duty-free imports of all RMG inputs through the bonded warehouse system was instrumental in driving the growth of garment production and exports."

The apparel sector began its journey more than 40 years ago with earnings standing at \$31.5 million in the fiscal year of 1983-84, which accounted for only 3.8 percent of the total earnings from the export sector.

Today, it is the biggest foreign currency earner in the country and fetched 84 percent of the \$55.5 billion generated from the sales of merchandise in the last fiscal year of 2022-23.

Bangladesh is also the second-largest supplier of apparel in the world, only behind China. It is the

biggest employer as well.

"The fiscal policy has wide-ranging impacts on several dimensions of the economy – investment, industrialisation, job creation, economic growth, and poverty reduction," said Zaidi Sattar, chairman of the PRI.

"It is a pivotal component of Bangladesh's policy stance for development."

He said overall, the fiscal policy has been vital in driving economic progress in the past and would remain the pivotal macroeconomic policy instrument to support future investment, industrialisation, and job creation.

Syed M Tanvir, managing director at Pacific Jeans, one of the largest garment exporters in Bangladesh, said the tax and duty measures helped the garment sector expand.

"The duty-free import benefit of fabric and accessories has been a timely step."

Sadiq Ahmed called for extending similar support to non-RMG exports combined with a market-based exchange rate.

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Spending on education falls short of expectations

WASIM BIN HABIB and MOHIUDDIN ALAMGIR

After the national budget is unveiled, the government always boasts that education gets significant investment as one of the priority sectors. The budgetary numbers will also tell you so.

A closer look, however, reveals a gap between what is written in the budget documents and the reality.

Since the size of the national budget is ballooning, the expenditure on education, which constitutes a critical component of a nation's human capital development, is also on the rise.

However, in terms of gross domestic product (GDP), the actual spending has remained almost stagnant, and, in some years, it has even experienced a fall. This stands in stark contrast to what Bangladesh committed on global forums.

For example, when the Dakar Declaration came in 2000, the country said it would spend 6 percent of GDP on education. The United Nations Educational, Scientific and Cultural Organisation recommends earmarking four to six percent of the GDP for the sector.



The actual spending in the education sector as a share of GDP has stood at less than 2 percent for the last 15 years.

In 2009-10, the maiden year for the Awami League of its four consecutive terms, the government spent Tk 11,996 crore for education, which represented 1.52 percent of GDP.

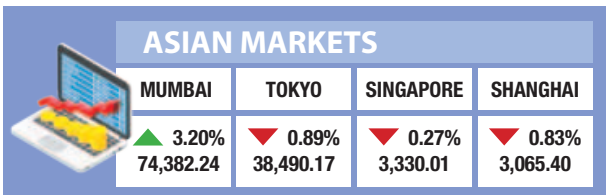
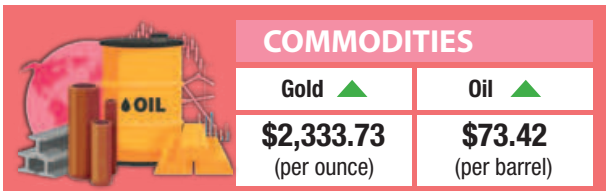
Five years later, the outlay more than doubled to Tk 25,088 crore, yet it was only 1.60 percent of GDP. It again doubled to Tk 52,824 crore in a span of five years in 2021-22. Still, it amounted to 1.52 percent of the economic output.

Such dismal spending is one of the lowest even among the least-developed countries, the club of the poorest nations in the world.

An analysis of the 2023-24 national budget by the Centre for Policy Dialogue (CPD), a think-tank, showed at least 35 LDCs redirected funds amounted to at least two percent of their GDP for education between 2016 and 2022.

Bangladesh's expenditure averaged 1.8 percent during the period. Myanmar devoted 2.1 percent.

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State banks' default loans rise 42% in a year

STAR BUSINESS REPORT

Default loans at six state-run banks rose by 42 percent year-on-year to Tk 85,869 crore at the end of March this year, giving an indication of their fragile financial health resulting from a lack of good governance.

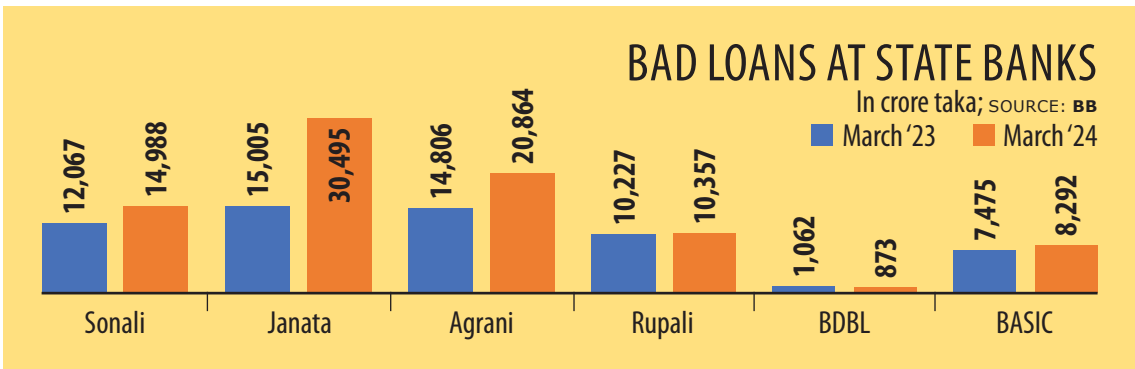
The lenders are Sonali Bank, Janata Bank, Agrani Bank, Rupali Bank, Bangladesh Development Bank and BASIC Bank.

At the end of March last year, the amount was Tk 60,642 crore, showed Bangladesh Bank data.

Bankers said there was now a tendency among borrowers to refrain from repaying loans citing excuses of the present economic condition

These banks had Tk 78,365 crore in bad loans at the end of December last year.

The default loans have increased at a time when the government and the central



bank are seeking to reduce such loans.

In line with the prescriptions of the International Monetary Fund (IMF) for a \$4.7 billion loan programme, the target is to reduce bad loans of state-run banks to 10 percent of their outstanding loans by 2026.

The target for private commercial banks is 5 percent.

Bankers said there was now a tendency among borrowers to refrain from repaying loans citing excuses of the present economic condition.

On the other hand, most of

the bad loans of the state-run banks have been taken through irregularities and scams and that was why it was difficult to recover those loans.

Scam-hit Janata Bank has the highest amount of bad loans in the banking sector, of Tk 30,495 crore, which was 31 percent of loans it had disbursed.

Agrani Bank's bad loans amounted to Tk 20,864 crore or 28 percent of its disbursed loans, showed the BB data.

A senior official of the central bank said it was not only state-run banks but also private commercial

banks which have seen an increase in bad loans.

At the end of December of last year, bad loans in the banking sector stood at Tk 145,633 crore, which accounted for 9 percent of the funds disbursed, BB data showed.

However, the distressed assets in the entire banking sector amounted to Tk 375,000 crore last year.

These include defaulted loans, rescheduled loans, written off loans, and the credits that were regularised following court orders.

Prime Bank signs deal with De Tempete

STAR BUSINESS DESK

Prime Bank recently signed a partnership agreement with De Tempete, a finance and accounting outsourcing service provider.

M Nazeem A Choudhury, deputy managing director of the bank, and Mohsena Munna, co-founder and CEO of De Tempete, penned the deal at the bank's corporate head office in Dhaka, the bank said in a press release.

Under the deal, De Tempete will provide a slew of services with special offers to the bank's priority customers.

The services include finance and accounting, audit, human resources division and payroll management, business automation, VAT and tax, project finance and banking advisory and management consulting.

Tamanna Quadry, head of priority banking of the bank, Kamrul Hasan, director, and Shahid Ali, senior associate from De Tempete, along with other officials from both organisations were also present.



Mohsena Munna, co-founder and CEO of De Tempete, and M Nazeem A Choudhury, deputy managing director of Prime Bank, pose for a photograph after signing an agreement at the bank's corporate head office in Dhaka recently.

PHOTO: PRIME BANK

Al-Arafah Islami Bank gets new DMDs

STAR BUSINESS DESK

Al-Arafah Islami Bank recently promoted three officials to the post of deputy managing director (DMD).

Of the promotees, Md Asaduzzaman Bhuiyan was concurrently serving as senior executive vice-president and head of asset management division prior to his promotion.

Bhuiyan started his banking career with Al-Arafah Islami Bank as a probationary officer in 1998 and served in various branches in general banking, investment department and foreign trade department.



Md Asaduzzaman, Mohammed Hossain, and Aminul Islam Bhuiyan.

He obtained his bachelor's and master's degrees in law and professional finance and social sciences from the University of Dhaka and did an MBA from the University of Information Technology and Sciences.

Mohammed Hossain, another promotee, was serving the bank as a senior executive vice-president and manager of Motijheel branch before joining his new role.

Hossain began his banking career at Agrani Bank as a senior officer in 1997. He then joined Al Arafah Islami Bank in 2007 and worked in different capacities. He previously worked for First Security Islami Bank and Southeast Bank.



SM Mahfuzur Rahman, chairman of Janata Bank, presides over the bank's 17th annual general meeting held at its head office in Dhaka recently.

PHOTO: JANATA BANK

Janata Bank holds 17th AGM

STAR BUSINESS DESK

Janata Bank recently organised its 17th annual general meeting at the bank's head office in Dhaka.

SM Mahfuzur Rahman, the bank's chairman, presided over the meeting, while Md Abdul Jabber, managing director and CEO, delivered the welcome speech, according to a press release.

Kamrul Haque Maruf, joint secretary to the Financial Institutions Division of the Ministry of Finance, Ajit Kumar Paul, KM Shamsul Alam, Md Abdul Majid, Rubina Amin, Meshkat Ahmed Chowdhury, Muhammed Asad Ullah and Badre Munir Firdaus, directors of the bank, were present.

Among others, Md Golam Mortuza, Md Fayaz Alam and Md Nurul Islam Mozumder, deputy managing directors of the bank, Md Nurul Alam, chief financial officer, and MHM Jahangir, company secretary, were also present.

Mutual Trust Bank approves 10% cash dividend



Md Abdul Malek, chairman of Mutual Trust Bank, presides over the bank's 25th annual general meeting, which was held virtually recently. The meeting announced 10 percent cash dividend for 2023.

PHOTO: MUTUAL TRUST BANK

STAR BUSINESS DESK

Mutual Trust Bank announced a 10 percent cash dividend for the year that ended on December 31, 2023.

The announcement came at the bank's 25th annual general meeting (AGM), which was held virtually recently, the bank said in a press

release.

Md Abdul Malek, chairman of the bank, presided over the meeting, which was also joined by Syed Manzur Elahi, vice chairman and founding chairman of the bank.

Md Wakiluddin and Arif Dowla, directors, and Nasreen Sattar and Mohammad Tareque, independent

directors, also attended the meeting.

Syed Mahbubur Rahman, managing director and CEO, and Rais Uddin Ahmad, deputy managing director and company secretary, also attended the meeting alongside the bank's senior management and a number of shareholders.

Chicken, egg prices

FROM PAGE B4

"We have reduced production due to low profits. I laid off a lot of employees. At this time last year, 1,700 people worked on my farm. About 70 percent of the staff has been laid off," he said.

Experts say each person in Bangladesh consumes 136 eggs every year whereas the number goes as high as 400 in developed countries.

Moreover, the per capita consumption of chicken meat is just one-third of that in developed countries, they said.

Low per capita income is responsible for protein or nutrition deficiencies and a lack of awareness plays a

big role here, said Faridul Alam, vice-chancellor of the Bangladesh University of Health Sciences.

Now, 60 percent of the country's people want to eat at least one egg every day but market supply is not attuned to it, for which sellers can increase the price if they wish, he said.

Again, many people's income is not consistent with expenditure needs, for which they eat less protein and also why they are malnourished. Due to this, their mental, intellectual and working efficiency is low, he added. That is why production needs to be increased and then the price will come down, he said.

Advertisement

INSEE Cement (Bangladesh) CSR Inauguration with the presence of Honorable Thai Ambassador to (Bangladesh) Siam City Cement (Bangladesh) Ltd., also known as INSEE Cement, in collaboration with the Royal Thai Embassy of (Bangladesh), proudly inaugurated a comprehensive Corporate Social Responsibility (CSR) program at the eve of World Environment Day 2024. The initiative aimed at enhancing community facilities and contributing to environmental sustainability. The inauguration ceremony was held at the INSEE Cement (Bangladesh) plant in Bandar, Narayanganj on 5th June 2024. Siam City Cement (Bangladesh) Ltd. (INSEE Cement) is a subsidiary of Siam City Cement PLC, Thailand. It has embarked on a strategy of building a regional asset footprint that brings synergy in the wider region, having already established operations in Sri Lanka, Vietnam, Cambodia, Indonesia, and (Bangladesh). The company is one of the largest investments of Thailand in (Bangladesh). The CSR program of INSEE Cement (Bangladesh) was officially inaugurated by Her Excellency, Makwadee Sumitmor, Ambassador of Thailand to (Bangladesh), alongside Mr. Mahmud Hasan, CEO and Managing Director of Siam City Cement (Bangladesh) Ltd. The event was graced by the presence of delegates from the Royal Thai Embassy, the leadership team of Siam City Cement (Bangladesh) Ltd., and the company's dedicated employees. Mr. Mahmud Hasan, CEO and MD of Siam City Cement (Bangladesh) Ltd., highlighted the company's dedication to social responsibility.

ঢাকা বিশ্ববিদ্যালয়

UNIVERSITY OF DHAKA: Applications in prescribed form, obtainable from the Office of the Registrar, are invited from the Bangladeshi nationals for filling up 1 (One) permanent post of lecturer in the Department of Theatre and Performance Studies in the pay scales of Tk. 22,000-53,060/- (National Pay scale-2015).

QUALIFICATIONS: Candidates must have a first class/a minimum CGPA 3.50 out of 4.00 in both Honours and Master degrees in Theatre and Performance Studies with a first division/a minimum GPA 4.25 out of 5.00 in both SSC and HSC examinations. Requirements for either the SSC or HSC examinations may be relaxed for the candidates who have obtained the first position/the highest CGPA in both Honours and Master degrees. Candidates having a Ph.D. in the relevant field and research publication(s) in a quality journal may get preference. Relevant notes and conditions apply. (For details, see the Dhaka University Website).

Eight copies of application together with attested copies of certificates, testimonials, mark- sheets/Grade Sheets and proof of experience along with a Pay Order/Bank Draft of the value of Tk. 750/- (seven hundred fifty) only, payable to the Registrar, should reach him on or before 07.07.2024. Applicants already in service must apply through the proper channel.

GD-951

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

নির্বাহী প্রকৌশলীর কার্যালয় (সওজ)
মুন্সীগঞ্জ সড়ক বিভাগ
দশকানি, পঞ্চগঙ্গার (মুন্সীগঞ্জ), মুন্সীগঞ্জ
ফোন নং ০২-৯৯৮৮৪৭০১৯
E-mail: eemunrhd@gmail.com

স্মারক নং ৩৫.০১.৫৯০০.৪৪৭.০৪.০০৮.২২-১৪৮২

তারিখঃ ০৫/০৬/২০২৪খিঃ

গণবিজ্ঞপ্তি

এতদ্বারা মুন্সীগঞ্জ সড়ক বিভাগের আওতাধীন সকল পেট্রোল পাম্প ও সিএনজি ফিলিং স্টেশনের মালিকদের অবগতির জন্য জানানো যাচ্ছে যে, যারা সড়ক ও জনপথ অধিদপ্তরের ভূমিতে স্থাপিত রিফুয়েলিং স্টেশনের (প্রবেশপথসহ) ইজারা ও ব্যক্তি মালিকানাধীন ভূমিতে স্থাপিত রিফুয়েলিং স্টেশনে যাতায়াতের জন্য বাণিজ্যিক প্রবেশপথের ভূমি ইজারা নবায়ন/অনুমোদিত প্রবেশপথের অনুমোদন গ্রহণ ও ইজারা ফি পরিশোধ করেননি তাদেরকে জুন/২০২৪ এর মধ্যে সকল বকেয়াসহ ইজারা মাস্তুল পরিশোধ করে নবায়ন/অনুমোদন গ্রহণ ও ইজারা ফি পরিশোধের জন্য বিশেষভাবে অনুরোধ করা হলো।

ব্যর্থতায় ইজারা বাতিলসহ প্রবেশপথ বন্ধ করার জন্য প্রয়োজনীয় ব্যবস্থা গ্রহণ করা হবে।

০৫/০৬/২০২৪
দেওয়ান আবুল কাশেম মোহাম্মদ নাহীন রেজা
পরিচিতি নং ৬০২১৪৩
নির্বাহী প্রকৌশলী, সওজ
সড়ক বিভাগ, মুন্সীগঞ্জ

GD- 946

পুনঃ নিলাম বিজ্ঞপ্তি

আইবিএ, ঢাকা বিশ্ববিদ্যালয়

ঢাকা বিশ্ববিদ্যালয়ের আইবিএর অডিটোরিয়াম ভবন যেখানে যে অবস্থায় আছে সেই অবস্থায় প্রকাশ্যে নিলামে বিক্রয় করা হবে। আগামী ১২-০৬-২০২৪ইং তারিখ বেলা ১১:০০ ঘটিকায় নিলামস্থলে (আইবিএ অডিটোরিয়াম ভবন) নিলাম অনুষ্ঠিত হবে।

নিলামে অংশগ্রহণকারী ব্যক্তি বা প্রতিষ্ঠানকে পরিচালক, আইবিএ, ঢাকা বিশ্ববিদ্যালয়ের অনুকূলে ৫০,০০০/- (পঞ্চাশ হাজার) টাকার পে-অর্ডার (ফেরতযোগ্য) জমা দিতে হবে।

সর্বোচ্চ দরদাতাকে ২৫-০৬-২০২৪ইং তারিখ অফিস চলাকালীন সময়ের মধ্যে নিলামকৃত সমদায় অর্থ পরিচালক, আইবিএ, ঢাকা বিশ্ববিদ্যালয়ের অনুকূলে সোনালী ব্যাংক, ঢাকা বিশ্ববিদ্যালয় শাখায় জমা দিতে হবে। কার্যাদেশ পাওয়ার ০১ (এক) মাসের মধ্যে ভবন ভেঙ্গে সরিয়ে নিতে হবে এবং যাবতীয় মালামাল অপসারণ করতে হবে।

ইচ্ছুক প্রতিষ্ঠান বা ব্যক্তিগণ অফিস চলাকালীন সময়ে আইবিএর অডিটোরিয়াম ভবন পরিদর্শন করতে পারবেন। কোন প্রকার কারণ দর্শনা ব্যতিরেকে সর্বোচ্চ দরদাতার দরসহ যে কোন ডাক বাতিল বা গ্রহণ করার পূর্ণ ক্ষমতা কর্তৃপক্ষ সংরক্ষণ করে। নিলামের বিষয়ে কর্তৃপক্ষের সিদ্ধান্তই চূড়ান্ত বলে বিবেচিত হবে এবং ডাককারীগণ কর্তৃপক্ষের সিদ্ধান্ত মেনে নিতে বাধ্য থাকবেন।

Munshi
অধ্যাপক মুশতাক আহমদ
পরিচালক (ভারপ্রাপ্ত)
ব্যবসায় প্রশাসন ইনস্টিটিউট (আইবিএ)
ঢাকা বিশ্ববিদ্যালয়

GD- 948

খুলনা শিপইয়ার্ড লিমিটেড

বাংলাদেশ নৌবাহিনী, খুলনা
ফোনঃ ০২-৪৪১১০৯৯০, ০২-৪৪১১০৯৮৭, ০২-৪৭৭২০০০৩, ০৪১২৩০৯৮৮
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দরপত্র অনুসন্ধান নং-৪/২০২৪-২০২৫/

তারিখ জুন ২০২৪

-ঃ চার্টার্ড একাউন্টেন্টস নিয়োগের দরপত্র -ঃ

খুলনা শিপইয়ার্ড লিমিটেড, বাংলাদেশ নৌবাহিনী, খুলনা এর ২০২৪-২০২৫ অর্থবছরের জন্য চূড়ান্ত হিসাব ও খুলনা শিপইয়ার্ড এমগ্রিজ প্রভিডেন্ট ফান্ড ট্রাস্ট, খুলনা শিপইয়ার্ড ওয়ার্কস পার্টসিপেশন এন্ড ওয়েলফেয়ার ফান্ড, খুলনা শিপইয়ার্ড এমগ্রিজ লিভ পে ও গ্র্যাটুইটি ফান্ড এবং খুলনা শিপইয়ার্ড গ্রুপ ইন্স্যুরেন্স ফান্ড সার্ভিসেস নিম্নলিখিত কার্যক্রম গ্রহণ করতঃ নিরীক্ষা প্রতিবেদন প্রণয়নের জন্য বহিঃ নিরীক্ষক (চার্টার্ড একাউন্টেন্টস) ফর্মের নিকট হতে সিল মোহরযুক্ত পৃথক পৃথক খামে দরপত্র (অফার) আহ্বান করা যাচ্ছেঃ

ক্রমিক	বিষয়বস্তু	কার্য পরিধি
১.	অভিজ্ঞতা	সরকারি, আধা-সরকারি ও স্বায়ত্বশাসিত প্রতিষ্ঠানে নিরীক্ষা কাজের কমপক্ষে ১০ বছরের অভিজ্ঞতা সম্পন্ন প্রতিষ্ঠানগুলি কেবলমাত্র দরপত্র প্রদানের যোগ্য বলে বিবেচিত হবেন। অভিজ্ঞতার সনদপত্র অবশ্যই দরপত্রের সাথে সংযুক্ত করতে হবে।
২.	দরপত্র জমা ও খোলার সর্বশেষ তারিখ ও সময়	জমাঃ ৩০ জুন ২০২৪ সাল, বেলা ১১.০০ মিঃ খোলাঃ ৩০ জুন ২০২৪ সাল, বেলা ১১.৩০ মিঃ
৩.	দরপত্র সিলিং ও মার্কিং	দরপত্র খামের ভিতর এবং বাইরে উভয়ের উপর সিল মোহরসহ ম্যানেজিং ডাইরেক্টর, খুলনা শিপইয়ার্ড লিমিটেড, বাংলাদেশ নৌবাহিনী, খুলনা এই ঠিকানায় দাখিল করতে হবে। ভিতরের খামের উপর চার্টার্ড একাউন্টেন্টস নিয়োগসহ দরপত্র বড় করে লিখিত থাকতে হবে। বাইরের খামে টেন্ডার নং, খোলার তারিখ এবং সময় উল্লেখ করতে হবে।
৪.	আনুষঙ্গিক খরচ	উল্লেখিত অর্থবছরের নিরীক্ষা কার্য সম্পাদনের জন্য যাবতীয় বিঘর যেমন-অমন, খাবার, যাতায়াত ও অন্যান্য খরচ ফর্মকে বহন করতে হবে। আইটেম অনুযায়ী ভাট ও ট্যাক্সসহ পেশাগত ফি বাবদ সর্বমোট মূল্য পৃথক পৃথক ভাবে অংকে এবং বাক্যে স্পষ্ট করে লিখতে হবে।
৫.	অতিরিক্ত কার্য	নিরীক্ষা প্রতিবেদনের অতিরিক্ত হিসেবে কোম্পানির হিসাব ব্যবস্থা তথা আইনগত স্বত্তা BAS/IAS অনুযায়ী তৈরী হয়েছে কিনা তার উপর মতামত প্রদান করতে হবে। এছাড়াও প্রচলিত হিসাব পদ্ধতি, বাজেট এবং বাজেটের কন্ট্রোল ইত্যাদির ব্যাপারে একটি আলোচনা প্রতিবেদন নিরীক্ষিত হিসাব প্রতিবেদনে অন্তর্ভুক্ত করতে হবে।

উক্ত নিরীক্ষা কাজে অংশগ্রহণে ইচ্ছুক সিএ ফার্মসমূহকে ভাট, টিআইএন, আইসিএবি অডিট রেজিস্ট্রেশন এবং অন্যান্য প্রয়োজনীয় তথ্যপ্রাদিসহ নির্ধারিত সময়ের মধ্যে খুলনা শিপইয়ার্ড লিঃ (খুলনা) এর প্রধান ফটকে রক্ষিত টেন্ডার বক্সে অথবা ডাক/কুরিয়ার যোগে দরপত্র প্রেরণের জন্য অনুরোধ করা হলো। অন্যান্য শর্তাবলী নিয়োগপত্রে উল্লেখ করা হবে। খুলনা শিপইয়ার্ড লিঃ কর্তৃপক্ষ কোন কারণ দর্শনা ব্যতিরেকে যে কোন সময় দরপত্র গ্রহণ/বাতিল করার ক্ষমতা সংরক্ষণ করে। দরপত্রের বিস্তারিত জানতে খুলসিএর ওয়েব সাইট ভিজিট করুন।

GD- 947

পক্ষে ম্যানেজিং ডাইরেক্টর

Low gas pressure takes toll on textile production

REFAYET ULLAH MIRDHHA

Production in spinning, dyeing and weaving mills in Tongi, Sreepur, Gazipur and Maona, all areas adjoining or close to capital Dhaka, has declined by a massive margin of around 65 percent over the last five days owing to low gas pressure, millers said.

The factory owners said some of their units were getting no gas at all while others receiving as low as 1 to 3 pounds per square inch (PSI) whereas they need 10-15 PSI to run their machinery and washing and drying facilities at full capacity.

Many factory owners of the industrial belt now fear missing their monthly production target and failing to ensure timely air shipment of the goods.

Bangladesh has a \$25 billion primary textile sector and nearly 60 percent of its spinning, dyeing, washing, weaving and finishing units are located in the country's largest industrial belt consisting of Gazipur, Sreepur, Maona, Savar, Ashulia and Tongi.

Mohammad Zaber, managing director of Noman Group, the single largest textile and garment exporter of Bangladesh, told The Daily Star that his group is also at risk of missing the export target and schedule because of the gas crisis.

Noman Group's export target for June is set at \$35 million -- \$20 million worth of home textile and \$15 million fashion -- from mills and factories located in Tongi, he said.

Gas pressure at their Tongi home textile factory reached as low as one PSI, which will make it difficult for the group to reach the production target, Zaber said over the phone.

Factory owners said some of their units were getting no gas at all while others were receiving as low as 1 to 3 pounds per square inch (PSI) whereas they need 10-15 PSI

The group's Sreepur factory, which targets shipping \$3 million worth of garment items, is also hit by the low pressure of gas, he said.

Zaber also said his home textile business has been rebounding from a crisis originating in February 2023 when the price of gas almost doubled while production cost spiralled so high that the group failed to book global work orders.

However, Noman Group has been optimistic over the last few months as it started receiving a lot

of international orders, he said.

Md Fazlul Haque, managing director of Maona-based Israq Spinning Mills, echoed the views of Zaber.

Haque said his mill was getting 1 to 2 PSI, which was inadequate to run the unit at full capacity.

Israq Spinning has been producing only 40 tonnes of yarns daily over the last five days, which is one third of the factory's capacity of 120 tonnes, he said.

The condition of gas-fed dyeing units is even worse, as those need a lot of gas pressure to function, he said.

A few days ago, the leaders of Bangladesh Textile Mills Association (BTMA) sat with the officials of state-owned gas supplying company Petrobangla and urged it to ensure adequate gas supply to the industrial units.

BTMA President Mohammad Ali Khokon sent a letter to Petrobangla Chairman Zanendra Nath Sarker yesterday demanding improvement in the gas supply to the industrial belts, including areas like Narayanganj, Narsingdi, Gazipur, Maona, Savar, Ashulia, Tongi and Sreepur.

The gas supply situation worsened in the last five days when the pressure reduced to almost zero in many factories, Khokon said.

Petrobangla has identified a leakage in a floating storage regasification unit (FSRU), which has deteriorated gas supply drastically, the Petrobangla officials told the BTMA leaders.

Even if the leakage is repaired locally, it may take seven days more to see an improvement in gas supply to the industrial units, they said.

If the leakage cannot be mended locally, the Petrobangla may need to send the FSRU abroad for repairs and in that case, it may take one month for the gas pressure to rise, they said.

Md Ridwanuzzaman, branch manager for operations of Titas Gas Marketing and Supply at Gazipur, said gas flow had remained low in the area over the last few days.

However, he could not say exactly state the pressure at which gas was being supplied to factories in Gazipur.

"It is difficult to say exactly when the gas supply situation will improve as it is a matter of the higher authority," he said.

Md Haronur Rashid Mullah, managing director of Titas Gas Transmission and Distribution Company, the gas distributing company for the affected industrial zone, could not be reached over the phone for comment in this connection.

Gas supplies unlikely to normalise this month

Damaged FSRU of Summit will require repairs abroad

STAR BUSINESS REPORT

Gas supplies are unlikely to increase this month as a damaged floating storage and regasification unit (FSRU) owned by Summit Group will require repairs abroad, said the company yesterday.

"The Summit LNG Terminal is expected to return to Bangladesh after repairs, hopefully within three weeks," read the Summit statement.

It said, according to assessments by Bureau Veritas, certification societies and international inspectors, the vessel was now ready to discharge all onboard liquefied natural gas (LNG) before proceeding to a dry dock in either Singapore or the Middle East for necessary repairs.

While Cyclone Remal was raging last month, a broken stray steel structure weighing hundreds of tonnes struck the Summit LNG Terminal, causing significant damage, the statement reads.

"The impact sheared the vessel's outer hull, approximately one metre below the waterline, leading to water ingress into the ballast tanks," it said.

"Despite the severe monsoon

conditions, the crew, operators, and owners of the vessel, along with the Summit team, worked tirelessly day and night to secure the vessel and its LNG cargo," it said.

"Their bravery and relentless efforts successfully prevented the loss of the cargo," it added.

"This unfortunate incident was mitigated by the grace of Almighty and the hard work of Rupantarita Prakritik Gas Company Limited (RPGCL), customer Petrobangla, the Summit LNG team, our port service operator PSA Marine, and the vessel provider Excelerate," it said.

"Due to their diligence, a major accident was averted," it further added.

Bangladesh avails gas from two FSRU having a total capacity to supply 1,100 million cubic feet of gas a day (mmcf). The accident reduced the supply to 600 mmcf.

Overall, Petrobangla can currently supply around 2,600 mmcf against a demand of 3,800 mmcf.

The FSRU only resumed operations in mid-April after undergoing maintenance in Singapore for two and a half months.

Monzurur re-elected chairman of Pubali Bank

STAR BUSINESS DESK

Monzurur Rahman has been re-elected as chairman of Pubali Bank for another two-year term.

Rahman is also chairman of Rema Tea Company, the bank said in a press release. He has 57 years of experience in banking, insurance and the tea business.

He was an independent director of LafargeHolcim Bangladesh and an elected member of the executive committee of the Bangladesh Association of Publicly Listed Companies. Rahman is a graduate of Calcutta University.



Banking reforms

FROM PAGE B1

Some Islamic banks, including Islami Bank Bangladesh, Social Islami Bank, First Security Islami Bank, Union Bank and Global Islami Bank are facing severe liquidity crises.

These Islamic banks are faced with a deficit in their current accounts with the central bank but the banking regulator continues to provide liquidity support to them without any collateral, central bank documents showed.

The banking sector has also been contending with a US dollar crisis for more than two years due to higher outflows than

inflows of foreign currency.

In a big example of weak central bank governance, the BB recently bypassed its own rules in approving the appointment of Mohammad Shah Alam Sarwar as the strategic adviser of IFIC Bank.

The central bank gave the special permission following an application from the board of the private commercial lender aimed at employing its former managing director as an adviser. This contradicts the central bank's rules.

As per rules, a bank's managing director or any official of up to two levels immediately below the managing director cannot

be appointed as an adviser or consultant by the same lender until five years have passed after retirement, discharge or expiry of a contract.

Sarwar's tenure as managing director and CEO of the bank ended on May 13 this year.

Industry insiders also said the lending rate cap, introduced by the central bank in April 2020 in the open market economy, was another example of the regulator's lack of autonomy as it apparently came about following pressure from the government.

Another former finance minister, Abul Maal Abdul Muhith, hinted at forming

the country's first banking commission in his budget announcement for the 2015-16 fiscal year. However, there was no further discussion regarding that topic after FY20.

Fahmida Khatun, executive director of the Centre for Policy Dialogue (CPD), during a dialogue recently said an independent banking commission was needed to ensure good governance in the sector.

She added that a goal-specific, time-bound, inclusive, transparent, unbiased and independent citizen's commission on banking should be set up to bring transparency to the sector.

Exports slide 16% in May

FROM PAGE B1

Leather and leather goods' exports slipped 14.17 percent to \$961.49 million, home textile shipment declined 24.29 percent to \$776.06 million, and frozen foods receipts were down 13.56 percent to \$344.98 million.

However, some sectors performed relatively better in July-May compared to a year earlier.

For instance, the export of agricultural products grew 8.2 percent to \$846.33 million, the shipments of non-traditional cotton waste surged 34.04 percent to \$502.88 million, and

that of man-made staple fibre was up 9.10 percent to \$310.43 million.

The exports of specialised textiles went up by 16.90 percent to \$302.84 million. Non-leather footwear saw a 6.87 percent increase in sales to \$463.33 million.

The latest figure from the EPB means Bangladesh is unlikely to hit the export target fixed for 2023-24, which ends on June 30. The government has set a goal to sell merchandise goods worth \$62 billion in FY24.

Bangladesh exported goods worth \$55.55 billion in 2022-23.

Spending on education falls short

FROM PAGE B1

India, a developing nation, spent 4.6 percent of its GDP in 2021 while Pakistan, also a country belonging to the similar category, spent 1.7 percent, World Bank data showed.

Sadly, a large chunk of the education budget of Bangladesh goes towards meeting non-developmental expenses, mainly for teachers' salaries, leaving the government with little to invest to improve quality.

Educationalists and experts have long emphasised the importance of investing in education to foster innovation, enhance productivity, and ensure sustainable economic growth.

They argue that adequate funding for education is not merely an expenditure but an investment for future prosperity.

Therefore, the failure to prioritise investments in human capital development could have far-reaching consequences, which may impede progress towards achieving development goals and exacerbate socio-economic disparities.

"It is not possible to ensure quality education with the current level of allocation and spending," said Fahmida Khatun, executive director of the CPD.

The economist said there is a huge gap between physical and social infrastructure. "We have put more emphasis on the physical infrastructure. However, if there is no social infrastructure, who will run the economy? We need educated people to run technologies and industries, but where will they come from?"

Fahmida points out that a portion of the allocated funds remains unused due to inefficiency and bureaucratic complications.

Rasheda K Choudhury, a noted educationist and executive director of the Campaign for Popular Education (CAMPE), said if the country can't properly develop the capacity of its people, it will need to hire experts from abroad.

This is already happening in the garment sector, the

largest foreign currency earner of Bangladesh.

"We are implementing many mega projects and developing infrastructure. Undoubtedly, these play important roles in the country's progress. But if we fail to enhance human capacity, these developments will not be sustainable," Choudhury said.

The less spending on education has a flipside: people's out-of-pocket expenditure is on the rise.

Between 2022 and 2023, a family's out-of-pocket costs per school-going child increased by 25 percent and 51 percent at the primary and secondary levels, respectively, according to the Education Watch Report 2023, prepared by the CAMPE.

The average annual cost per child in 2023 was Tk 17,294 at the primary level and Tk 41,424 at the secondary level. It was about a quarter less for rural areas.

Private tutoring and commercial guidebooks were major contributors to the costs, the report said.

The Unesco's Global Education Monitoring Report 2022 said that families bear 71 percent of the education expenditure in Bangladesh.

Mohammad Tariq Ahsan, a professor at the Institute of Education and Research under the University of Dhaka, said, "We take initiatives to build infrastructure like constructing new classrooms and buying laptops, but we also need to invest in other aspects, including enhancement of teachers' skills."

"We have a shortage of teachers. So, we need to invest more to recruit more teachers and raise their salaries."

What is even more disappointing is that the authorities can't fully use the development budget, which highlights that they don't understand the priorities.

Planning Commission officials say cost overruns and delays in implementing education-related projects are responsible for the lower allocation.

The projects in the

education sector had 27.5 percent cost overruns over the last five years while as much as 34 percent of the projects had to have their deadlines extended, data from the commission showed.

In the wake of the persistent low funding, experts have called for greater political will, and commitment to prioritise education financing, and enhance the quality and efficiency of spending.

"Education is truly one of the most powerful instruments for reducing poverty and inequality and it sets the foundation for sustained economic growth. Let's start investing in it more," wrote Harry Anthony Patrinos, senior adviser for education at the World Bank, in 2016.

Selim Raihan, executive director of the South Asian Network on Economic Modeling, complemented: "No country in the world will be able to show that they achieved a high level of income and development without investing heavily in education."

said it is a good sign that the government has protected domestic industries and helped them become competitive.

Now, it will have to review the existing tax benefits and incentives since the country will not be able to continue direct subsidies and cash support once Bangladesh becomes a developing nation in 2026.

"Now, it is time to set priorities and phase out exemptions," added Rahman.

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সড়ক বিভাগ, লালমনিরহাট।			
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“সেতু ইজারা কোটেশন আহবান বিজ্ঞপ্তি”			
ভাট ও আয়কর সনদধারী প্রতিষ্ঠান/নাগরিক, সরকারী/বেসরকারী/স্বায়ত্বশাসিত সকল প্রতিষ্ঠানের টিকাদারগণের নিকট হতে স্ব স্ব লাইসেন্স-এর ক্ষমতা/প্রতিজ্ঞতা অনুযায়ী সীলমোহরকৃত নামে কোটেশন আহবান করা যাচ্ছে।			
০১। ইজারা কোটেশন নং	:	০১-ই/ইজারা/এলআরডি/২০২৩-২০২৪ (১১তম আহবান)	
০২। ইজারার বিবরণ	:	২০২৪-২০২৫, ২০২৫-২০২৬ ও ২০২৬-২০২৭ অর্থ বৎসরের জন্য লালমনিরহাট সড়ক বিভাগীয় রংপুর-কুড়িগ্রাম (৪নং-০০৬) জাতীয় মহাসড়কের ১১তম কিলোমিটারে ভিত্তি সড়ক সেতুতে ঢোল আকারের নিমিত্তে ইজারাদার নিয়োগ।	
০৩। ইজারা চুক্তির মেয়াদ	:	১০৯৫ দিন বা ৩ বছর	
০৪। ইজারা কোটেশনের সিটিল মূল্য	:	টাকা ৫০০০.০০ (টাকা পাঁচ হাজার) মাত্র (অফার্ডযোগ্য)।	
০৫। বায়নার টাকার পরিমাণ	:	উদ্ধৃত মোট মূল্যের (ভাট ও আয়করসহ) ১০% (শতকরা দশ ভাগ)। বাংলাদেশ ব্যাংকের তফসিলকৃত যে কোন সিটিল ব্যাংক হইতে পে-অর্ডার/ব্যাংক ড্রাকট ইত্যাদি আকারে নির্বাহী প্রকৌশলী সওজ, লালমনিরহাট সড়ক বিভাগ এর অনুকূলে কোটেশনের সহিত জমা দিতে হবে।	
০৬। ইজারা কোটেশন বিক্রয়ের শেষ তারিখ ও সময়।	:	২৩-০৬-২০২৪ খ্রিঃ তারিখ বিকাল ৫:০০ পর্যন্ত।	
০৭। মুদ্রাবন্ধ অবস্থায় ইজারা কোটেশন গ্রহণের শেষ তারিখ ও সময়।	:	২৪-০৬-২০২৪ খ্রিঃ তারিখ দুপুর ১২:০০ মিনিট পর্যন্ত।	
০৮। ইজারা ভাঙে অংশ গ্রহণের যোগ্যতা।	:	ভাট ও আয়কর সনদধারী প্রতিষ্ঠান/নাগরিক, সরকারী/বেসরকারী/স্বায়ত্বশাসিত সকল প্রতিষ্ঠানের টিকাদার।	
০৯। যে সকল কার্যালয়ে ইজারা কোটেশন ক্রয়ের জন্য পাওয়া যাবে	:	বিভাগীয় কমিশনার, রংপুর বিভাগ, রংপুর/অতিরিক্ত প্রধান প্রকৌশলী, সওজ, রংপুর জোন, রংপুর/তথ্যাব্যায়ক প্রকৌশলী, সওজ, সড়ক সার্কেল, রংপুর/নির্বাহী প্রকৌশলী, সওজ, প্রসিঃ বিভাগ-১, সড়ক ভবন, তেজগাঁও, ঢাকা/নির্বাহী প্রকৌশলী, সওজ, রংপুর/কুড়িগ্রাম/লালমনিরহাট/উপ-বিভাগীয় প্রকৌশলী, সওজ, সড়ক উপ-বিভাগ, লালমনিরহাট।	
১০। যে সকল কার্যালয়ে ইজারা কোটেশন মুদ্রাবন্ধ অবস্থায় গ্রহণ করা হবে।	:	ক) নির্বাহী প্রকৌশলী, সওজ, সড়ক বিভাগ, লালমনিরহাট খ) জেলা প্রশাসক, লালমনিরহাট গ) তথ্যাব্যায়ক প্রকৌশলী, সওজ, সড়ক সার্কেল, রংপুর ঘ) অতিরিক্ত প্রধান প্রকৌশলী, সওজ, রংপুর জোন, রংপুর	
১১। ইজারা কোটেশন খোলার স্থান, তারিখ ও সময়।	:	স্থান : নির্বাহী প্রকৌশলীর কার্যালয়, সওজ, সড়ক বিভাগ, লালমনিরহাট। তারিখ : ২৪-০৬-২০২৪ খ্রিঃ। সময় : বেলা ০৩:০০ ঘটিকা।	
১২। ইজারা আহবানকারী যে কোন সময় যে কোন কোটেশন/সকল কোটেশন বাতিলের ক্ষমতা সংরক্ষণ করেন।	:		

২৪/৬/২০২৪
(খালিদ সাইফুল্লাহ সরকার)
পরিচিতি নং-৬০২২৬-৭
নির্বাহী প্রকৌশলী, (চরদাং) সওজ
সড়ক বিভাগ, লালমনিরহাট।



Each kilogramme of broiler chicken was selling for Tk 175 to Tk 200 in Dhaka yesterday, while a set of four eggs was selling for Tk 50 to Tk 53. The photo was taken from Habirkathi village of Jhalakathi district yesterday.

PHOTO: TITU DAS

Chicken, egg prices rise on supply shortage, higher production costs

SUKANTA HALDER

The prices of broiler chicken and eggs, staple sources of protein for many middle and low-income groups, have increased in the country's markets over the past week due to shortages in supply and an increase in production costs.

Over the past week, the price of eggs has increased by 5 percent and broiler chicken by 7 percent, according to the data collected from three kitchen markets in Dhaka and the Trading Corporation of Bangladesh.

Yesterday, each set of four eggs were selling for Tk 50 to Tk 53 whereas each kilogramme of broiler chicken for Tk 175 to Tk 200.

Businesspeople said farmers had incurred huge losses during recent heatwaves, when many chickens died while many others fell sick. Fearing further losses, many farmers then moved away from raising day-old chicks.

At the same time, those who continued to raise day-old chicks did not rear enough to meet the current market demand, they said.

Moreover, demand for broiler chicken always drops ahead of Eid-ul-Azha, which is set to be celebrated in mid-June this year, they said.

Besides, the cost of production has also increased significantly. Consequently, a gap has been created between supply and demand. All these factors have contributed to the price hike, said Mahbubur Rahman, president of the Breeders Association of Bangladesh.

Rahman said prices of day-old chicks have been falling since early May, when each sold for Tk 60 to Tk 70. Now, each day-old chick is being sold for Tk 28 to Tk 32.

Ahead of Eid-ul-Azha, demand for chickens usually falls as the religious festival centres on sacrificing cattle and goats. Due to this, the demand for day-old chicks has also decreased considerably, he added.

Akram Hossain Ripon, a poultry farmer of the Kalma area in Savar, around 25 kilometres northwest of capital Dhaka, said he incurred severe financial losses due to the heatwave that has engulfed the country since the start of April.

He said he had bought 1,000 layer chickens but 160 died due to the heat, causing losses of

around Tk 40,000.

Ripon said, "Afterwards I opted for raising another 1,000 day-old chicks, buying them at Tk 62 per piece around 17 days ago. Of these, 250 again died due to heat."

"I am worried over whether I will be able to get back my investment," he said.

He said the price of feed was Tk 3,200 per sack a year ago and it has now increased to Tk 3,500. The farm faces power cuts for most of the day and night, for which diesel-powered generators must be used, said Ripon.

Moreover, he said the price of medicine has also increased. For instance, one type of medicine that was Tk 200 a year ago now costs Tk 300. The price of another was Tk 500 and has now increased to Tk 700 to Tk 750, he said.

Businesspeople said farmers had incurred huge losses during recent heatwaves, when many chickens died while many others fell sick

Farmers Lokman Hossain and Rehan Uddin of Kapasia upazila of Gazipur made similar observations. Kazi Zahin Hasan, director of Kazi Farms Group, said they were selling chickens and eggs at prices declared by the Department of Agricultural Marketing.

He said at present demand was high but supply relatively low. During the recent heat wave, production of chicken and eggs fell, because in hot weather chickens eat less feed, he said. Low supply pushed up the market prices, he added.

"There is another reason why prices are high. For two years, Bangladesh Competition Commission has been harassing poultry companies with baseless accusations of collusion," he said.

This harassment by the government has discouraged investment, he added.

Investment is needed every year as demand increases every year. As there has been low investment over the last two years, production of chicken and eggs is now lower than demand,

he said.

The rise in prices of the US dollar has had a huge impact on feed costs, he said, adding that high electricity and fuel prices raised production and transportation costs.

Since the government is fixing low prices of chicken and eggs, compliant farmers can no longer generate large enough profits to justify the risky business of poultry farming. If the prices are not raised, many farmers will stop production, he added.

On the other hand, people are withdrawing their investments. A large company which was in this business for 30 years has recently sold its assets. Some smaller companies are also trying to sell their assets, he claimed.

Mohammad Akram Hossain, general manager for feed and breed sales of CP Bangladesh Company, said the production of layer birds has decreased over the last couple of years in Bangladesh due to disease outbreaks and bad weather.

So, automatically there is a shortage of eggs in the market and now the price has become higher than before as supply is lower than demand, he said.

In the poultry sector of Bangladesh there is a lack of data centring demand and supply, for which proper estimates cannot be reached. For this, prices of broiler chickens fluctuate, and it is not due to collusion of the companies, he said.

Investments have decreased this year compared to last year due to economic uncertainties. If the situation does not improve, it will decrease in the future, he added.

Kayser Ahmed, managing director of Diamond Egg, one of the largest producers and marketers of eggs, said those who set the prices of eggs do not themselves produce eggs.

They do not know the real picture and how much it costs to produce an egg, he said, adding that he has reduced production due to the high costs.

At this time last year, his farm was producing 15 lakh eggs per day and now it has come down to 6 lakh eggs.

READ MORE ON B2

A post-election defining moment

ZAHID HUSSAIN

The finance minister and his team must have trotted slippery slopes as they formulated the about-to-be-announced FY25 budget. The slopes are slippery because of the extraordinary economic compulsions on the one hand and the expectations of re-election friendly forces on the other. Ignoring either of the two imperils life in government.

The economy has been in a rough patch since 2022 like never before in the past decade and a half. Growth slowed, inflation surged, real wages fell, foreign exchange reserves dwindled, financial sector stressed, private investments stagnated, and the external environment did not help. The budget cannot solve it all but, being the first after election, it constitutes a defining moment to signal a resolute commitment to put the economy back on a stable and growing trajectory.

The government has turned to the development partners for cash support to stay afloat in troubled waters a large part of which owes to failure to respond in time. Support is obviously not a freebee. You have to commit to measures that have the promise of addressing the underlying causes. The urgency of doing so can hardly be overstated.

The measures include bold decisions to keep the budget deficit low enough to relieve pressure on prices and foreign exchange reserves; plug revenue draining holes in tax policy; rationalise public expenditures by curtailing failed subsidies and development projects; and roll out structural reforms to relieve financial distress, resuscitate structural transformation, and face the music after LDC graduation.

None of these can be done without risking displeasure of the sources of political power of the current regime.

Every government faces tough decisions about the appropriate measures: how much to tighten, when, for whom to loosen policies, where money will be spent and how it will be raised

They have already voiced their concerns in no uncertain terms even while recognising the economic compulsions. They say tax expenditures are a problem, but this is not the time shunning them; increasing taxes on carbonated beverage manufactures can be good for both the government purse and public health, but this would reduce investments; taxing capital gains is desirable for enhancing progressivity of the tax system, but the stock market is not ready for it; export subsidies have not produced the desired results, but this means you have to do more rather than less until WTO rules kick in; cutting public spending may be necessary, but it will hurt "people"; spending more on education and health is critical, but this must not be at the expense of prolific contracts in transport and energy and so on and so forth.

An iron law of protection to business is that it tends to become a necessity. A specific interesting case in point is duties on imported mobile phones. Local mobile manufacturers have benefited from tax exemptions and lately the large devaluation of taka which has made imported phones more expensive. Yet they complain devaluation has put financial pressure on them without bestowing any competitive

advantage! They want continuation of the existing taxes on imported phones for another three years.

Yet another case is export subsidy. The government's cash incentive against export receipts has soared over the years although it brought limited, if any, results in export diversification. Currently, 43 sectors receive cash support, which amounted to over Tk 8,600 crore in FY23 alone. These cannot be continued after 2026 as WTO rules do not allow cash incentives to exporters.

The government cut the subsidy for almost all sectors in February reducing the highest cash incentive rate from 20 to 15 percent. The export lobby raised concerns about hurting small and medium enterprises and power tariff hikes to oppose the subsidy cuts.

Never mind the 26 percent depreciation of taka since end-June, 2022 which enhanced revenues way more than costs.

It is not just the interest groups outside the government who exhibit cognitive dissonance by supporting change while opposing it at the same time. Government officials at the upper echelons have been living a "don't worry, be happy" delusion ever since the onset of economic distress. They continue to harbor the belief that things will turn around by "December", one that never came in last two years.

Policymakers have evidently found it difficult to invest the time and political capital to address a crisis that was never abstract.

The policy response has continued to be tempered by political realities. Business interests have pressed for subsidies and bailouts on grounds of times difficult for all even though many benefited from the same difficult times.

Policymakers diverted resources away from developmental priorities under pressure from these constituents. As the saying goes, "where you stand depends on where you sit."

Some members of the public, and some policymakers, have resisted the recommendations of experts until they came with money from the IMF.

Every government faces tough decisions about the appropriate measures: how much to tighten, when, for whom to loosen policies, where money will be spent and how it will be raised. These decisions have to consider economic and political fallouts. Any policy that is good for society as a whole can in principle be made good for everyone in society by taxing the winners just a bit to compensate the losers.

The problem is that the winners don't like sharing any of the wins. The battle is rarely over what is best for society but rather over who will be the winners and losers. What is best for the country may not be best for my district, or coterie, or industry, or class.

The golden rule of policy is that those with the gold make the rules. Bangladesh is no exception. Special-interest groups play an outsized role. Concentrated interests win over diffuse interests.

Will this budget be different? One can still hope because even authoritarian regimes have to pay attention to at least some part of public opinion. They are called the "selectorate," that portion of the stakeholders, local or otherwise, whose support matters to policymakers to stay in office and to the elites to keep their seats.

We will find out which selectorate have mattered in this budget!

The writer is former lead economist of the World Bank's Dhaka office.

Zara owner Inditex posts big profit

AFP, Madrid

Zara owner Inditex, the world's largest fashion retailer, on Wednesday reported a record net profit for the first quarter, even as the Spanish group faces growing competition from Chinese-founded online rival Shein.

Inditex, whose other brands include Bershka, Massimo Dutti and Pull&Bear, has posted solid earnings and seen its share price soar in recent months despite inflation and geopolitical headwinds.

Its net profit reached 1.3 billion euros (\$1.4 billion) in the quarter ending April 30 – an 11 percent increase from the same period last year and an all-time high for a three-month span usually marked by weaker earnings.

Sales rose seven percent to 8.2 billion euros. The profit and sales figures were close to those forecast by analysts surveyed by financial data firm FactSet.

"Inditex continued with a very robust operating performance due to the creativity of the teams and the strong execution of the fully integrated business model," the company said in its results statement.

The company said sales remained strong at the start of the second quarter, rising 12 percent between May 1 and June 3 when compared to the same period a year ago.

Inditex announced it would invest 900 million euros per year in 2024 and 2025 to expand its logistics capacities, "in view of the strong future growth opportunities".

The fashion giant, which since early 2022 has been headed by Marta Ortega, daughter of billionaire founder Amancio Ortega, has seen its share value grow by more than 40 percent over the past year.

But Inditex, H&M and other retailers are facing increasingly tough competition from online fast-fashion platform Shein, which is expected to pursue a multi-billion-pound listing on the London stock market.

‘Modi premium’ in India’s financial markets set to erode after weak victory

REUTERS, London/New York

Indian voters' tepid endorsement of Prime Minister Narendra Modi leaves a weakened mandate for business-friendly reforms and has foreign money managers thinking twice about unleashing another wave of investment in the world's fastest-growing economy.

Modi's Hindu nationalist Bharatiya Janata Party (BJP) secured a third term in government but without a majority of its own for the first time since sweeping to power a decade ago.

India's stock market weathered its heaviest selling since the onset of the pandemic as the votes were tallied and net foreign selling was a record \$1.5 billion on Tuesday. Stocks recovered some ground on Wednesday.

With the party losing most ground in rural areas, investors say land and labour reforms, that had been expected to unlock value and growth, will probably fall by the wayside while leaders focus on shoring up rural support which had faltered.

For global fund managers, who despite strong buying last year are generally underweight on India according to HSBC research, the uncertainty is reason enough for caution.

"You have the feeling that while the government was really geared towards



Indian Prime Minister Narendra Modi gestures at the Bharatiya Janata Party headquarters in New Delhi on June 4.

PHOTO: REUTERS

business, there are other parts of the country that felt left behind," said Alessia Berardi, head of emerging macro strategy at Amundi Investment Institute - the research arm of Europe's biggest asset manager.

US stocks ended slightly higher on Tuesday following softer-than-expected jobs data that fueled hopes of rate cuts this year from the Federal Reserve.

"So a more inclusive economy, a more efficient economy is important," she said.

In the market, stocks trading richly in anticipation of growth driven by infrastructure and manufacturing spending fell heaviest and those exposed to rural demand, such as Nestle India and in motorcycle maker Hero MotoCorp rose. Bonds weakened as traders priced risks

that welfare spending goes up and budget consolidation is delayed. The tightly-managed rupee skidded to a seven-week low.

"Over the past decade, India has been rewarded with a valuation premium for government stability...some of that valuation premium came out today," said Vikas Pershad, who manages India and Asia equities portfolios for M&G Investments.

"I think priorities might shift a little in the short-term...so more benefits for the rural consumer, the rural working poor."

Investors have prospered under Modi, 73, as India's equity benchmarks have more than tripled since he started as leader in May 2014. Earnings growth drove annualised total return for the MSCI India index to 7.1 percent over the period, against 1.3 percent for MSCI's Asia ex-Japan index.

To be sure, investors say the election outcome – with Modi's alliance winning 293 of 543 lower-house seats – is unlikely to derail this trajectory, nor is India's broadly stable currency and attractive debt market likely to be unduly ruffled.

"We're still seeing strong growth coming from India...I think it's a buying opportunity," said Kristina Hooper, chief global market strategist at Invesco in New York.