

## Crab farming can boost exports: experts

STAR BUSINESS REPORT

Bangladesh's export earnings will get a boost if crab farming is expanded in the country, as global demand for crabs is on the rise, experts said today.

They spoke at a workshop titled "Possibilities of the crab industry in Bangladesh: existing problems and possible actions" held at the Palli Karma Sahayak Foundation (PKSF) Bhaban in the capital's Agargaon.

Bangladesh can significantly enhance its export income, contributing to the overall economic growth and resilience of its coastal communities by harnessing the potential of crab farming, the experts also said.

During the open discussion session, representatives from various government and non-governmental organisations, including PKSF's partner organisations, shared their experiences and insights on crab farming.

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# BTCL recorded Tk 316cr unrealised dues as 'current asset': CAG

REJAUL KARIM BYRON and MAHMUDUL HASAN

B a n g l a d e s h Telecommunications Company Limited (BTCL) has failed to realise dues worth around Tk 316 crore from different companies and falsely recorded it as "current asset" in its financial statement.

Of the long pending dues, Tk 79.64 crore is owed by Teletalk, Tk 50 crore by Bangladesh Cable Shilpa, Tk 12.81 crore by various government entities and by Tk 174 crore different shuttered companies.

Moreover, the BTCL has not taken any "realistic" or legal step to realise the dues.

The revelation came in a 2023 audit report of the Office of the Comptroller and Auditor General (CAG) on the BTCL's financial statements of fiscal year 2019-20 and 2020-21.

In response to the CAG's query, the BTCL had responded that its dues had been left



unaccounted for since July 2008, when it was formed as a public limited company from a previous Bangladesh Telegraph and Telephone Board.

The BTCL's consultant, Hoda Vasi Chowdhury and CO, is working on compiling the dues, it added.

Earlier in 2022, another audit report of the CAG found that the state coffer is at least Tk 2,258.76 crore short, owing to the BTCL's failure to deposit the sum for mismanagement.

The BTCL, whose main offering of landline telephone has fallen out of favour with the advent of mobile phones, provides a host of telecom services to stay alive by obtaining licences from Bangladesh

Telecommunication Regulatory Commission, the regulator.

And as per licensing terms, the state-run company has to share a portion of the revenue

**The BTCL, whose main offering of landline telephone has fallen out of favour with the advent of mobile phones, provides a host of telecom services to stay alive by obtaining licences from BTRC, the regulator.**

earned from the services with the BTRC, which then deposits the sum to the state coffer.

Once a hugely profitable enterprise, the BTCL has been racking up losses since fiscal

year 2009-10, save for fiscal years 2012-13, 2021-22, 2022-23 when it turned in profits of Tk 5 crore, Tk 6.7 crore and Tk 14 crore respectively.

It last logged in a proper profit back in fiscal year 2009-10: Tk 106.1 crore.

With the view of giving relevance to the dated company, the government has been sanctioning one project after another for it worth thousands of crores of taka.

It has ongoing projects worth about Tk 3,152 crore, including a Tk 945 crore project for "BTCL Internet Protocol (IP) Network Development and Expansion" and a Tk 1,059 crore project for "Development of 5G-compliant Optical Fibre Transmission Network".

Since 2009, it has implemented several projects involving about around Tk 5,200 crore.

The BTCL did not respond to The Daily Star's request for comment as of yesterday.

## Once India's biggest startup, Byju's faces insolvency proceedings

REUTERS, Bengaluru/New Delhi

Edtech company Byju's, once India's biggest startup valued at \$22 billion, will face insolvency proceedings for failure to pay \$19 million in dues to the country's cricket board, a tribunal said on Tuesday.

Byju's has suffered numerous setbacks in recent years, including boardroom exits and a tussle with investors who accused CEO Byju Raveendran of corporate governance lapses, job cuts and a collapse in its valuation to less than \$3 billion, Byju's has denied any wrongdoing.

A ruling by India's companies' tribunal on Tuesday, following a complaint by the Board of Control for Cricket in India (BCCI), initiated insolvency proceedings.

These will include the appointment of an interim resolution professional, Pankaj Srivastava, who will oversee the management of Byju's as the company's board of directors is suspended as per law.

CEO Raveendran will report to the resolution professional, and the company's assets will remain frozen while the proceedings continue.

In a statement, Byju's said it wishes to "reach an amicable settlement with BCCI and we are confident that, despite this order, a settlement can be reached."

The company's lawyers are reviewing the order and will take necessary steps to protect the firm's interests, it added.

Byju's, which operates in more than 21 countries, became popular during Covid-19 pandemic by offering online education courses. It also offers offline coaching classes.

In February a group of Byju's investors including Prosus and Peak XV voted to oust Raveendran, a move which Byju's has called invalid.

The companies' tribunal said in its order "it cannot be

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## Maersk's new shipping service to boost Sino-Bangla trade

STAR BUSINESS REPORT

AP Moller-Maersk (Maersk) announced the launch of SH3, a new ocean shipping service, to facilitate the growing trade volume between China and Bangladesh, particularly in the retail sector.

The SH3 service operational since July 7 of 2024 strengthens Maersk's existing network by increasing capacity on the China-Bangladesh route, the company said in a press release.

The route starts at Shanghai Port in China with stops at Xiamen, Kaohsiung, Nansha, and Tanjung Pelepas before reaching Chattogram in Bangladesh.

The return journey to Shanghai includes a call at Tanjung Pelepas, a key connection point for European routes.

This addition complements Maersk's existing services, SH1, SH2, and IA7, which are operating between the two countries.

Optimisations have also been made to SH1 and SH2 to enhance their offerings, according to the statement.

The customers will benefit from broader coverage in China with more loading options throughout the week from various locations like Shanghai, Nansha, and Ningbo, said Maersk.

Additionally, the expanded network provides more direct



A view of container unloading activities at the Chattogram port, the country's biggest seaport.

PHOTO: RAJIB RAIHAN

shipping choices to Bangladesh.

"The retail industry thrives on timely deliveries across the supply chain," said Wen Bing Lim, regional head of intra-Asia market of Maersk. "This new network expedites the process, aiding Chinese textile raw material exporters and garment manufacturers in Bangladesh."

Nikhil D'Lima, head of Maersk in Bangladesh, emphasised the rising demand for Bangladeshi textiles and garments in Western markets. "Our customers require more

capacity for raw material imports to Bangladesh and finished garment exports," he said.

China's exports to Bangladesh are heavily reliant on textiles, while Bangladesh's garment industry boasts over 4,000 factories supplying goods to more than 100 international clothing brands.

Bangladesh's exports encompass a vast array of knitwear and woven garments, including shirts, trousers, T-shirts, denim, jackets, and sweaters, reaching over 150 countries.

## DSEX falls

STAR BUSINESS REPORT

The benchmark index of the Dhaka Stock Exchange (DSE) fell yesterday just a day after posting a rise as investors opted to book profits by selling off shares.

The DSEX, the major index of the country's premier bourse, dropped 1.82 points, or 0.03 percent, from that on the day prior to settle at 5,483.14.

Similarly, the DSES, the index that represents Shariah-based companies, slipped 1.57 points, or 0.13 percent, to 1,201.86.

However, the DS30, an index comprised of blue-chip stocks, edged up 17.08 points, or 0.88 percent, to 1,961.37.

The day's turnover, meaning the total value of shares that changed hands, decreased 14.77 percent to Tk 564 crore.

Taufika Foods and Lovello Ice-cream were the most-traded scrips, with a combined turnover of Tk 23.3 crore, followed by DBH Finance, Orion Infusion and NRB Bank.

Turnover at the block market, meaning high volume transactions of privately negotiated securities outside the open market, stood at Tk 50.6 crore, representing 9 percent of the day's total turnover.

Shares of blue-chip companies such as Kohinoor Chemicals, Grameenphone, Square Pharmaceuticals, BRAC Bank, Renata, Eastern Bank, Pubali Bank, DBH Finance, City Bank, and BAT Bangladesh performed well.

Kohinoor Chemicals topped the list of blue-chip companies with the highest gains, rising 3.61 percent.

However, Beximco Pharmaceuticals, Beacon Pharmaceuticals, Khan Brothers PP Woven Bag Industries, Heidelberg Materials Bangladesh PLC, Prime Bank, Linde Bangladesh, Singer Bangladesh, Taufika Foods and Lovello Ice-cream, Orion Pharma and Premier Cement Mills showcased a negative performance.

Beximco Pharmaceuticals shed the most, losing 4.32 percent.

Overall, NRB Bank and Techno Drug dominated

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## India plans new asset class for high-risk investors

REUTERS, Mumbai

The Securities and Exchange Board of India (SEBI) is proposing a new asset class that allows investors to take on higher risk through a regulated product, the Indian market regulator said in a consultation paper released on Tuesday.

The asset class would fall between mutual funds meant for retail investors and portfolio management services that are targeted at high-net-worth individuals.

"The proposed New Asset Class seeks to provide investors with a regulated investment product featuring higher risk-taking capabilities and higher ticket size," SEBI said.

"It is aimed at curbing the proliferation of unregistered and unauthorised investment products," it added.

Under the new asset class, asset management companies can offer riskier strategies such as long-short equity strategies, which seek to deliver returns by taking long and short positions in equity instruments, or inverse exchange-traded funds that generate returns via an inverse correlation with an underlying index.

These funds will also be allowed to invest in derivatives.

The minimum investment amount for this asset class will be 1 million rupees (\$11,961), the regulator proposed.

Fund houses must distinguish these schemes from their mutual fund products and disclose the level of risk associated with the investment strategies, it added.

SEBI has sought comments on its proposal by August 6, before it releases the final guidelines.

## German investor morale records first drop in a year

AFP, Berlin

German investor confidence fell for the first time in a year in July, a key survey said Tuesday, as the prospects for Europe's largest economy seemed to darken once again.

The ZEW institute's closely watched economic expectations index fell to 41.8 points, from 47.5 points in June.

The drop was anticipated by analysts surveyed by financial data firm FactSet, who predicted a fall to 42 points.

The drop was the first time the indicator had dropped since July 2023, concluding a run of 11 straight increases.

"For the first time in a year, economic expectations for Germany are falling," ZEW president Achim Wambach said in a statement.

Wambach pointed to the fact that "German exports decreased more than expected in May" as a factor behind the worsening mood.

"The political uncertainty in France and the lack of clarity regarding the future monetary policy by the (European Central Bank)" also contributed to the drop, Wambach said.

Recent snap legislative elections in France failed to return a majority for any group, leaving Germany's neighbour in political limbo.



People shop at a store in New York City, US. As inflation accelerated in the US, experts feared companies and workers would recalibrate their own expectations for prices and wages and feed an uncontrollable upward spiral.

PHOTO: REUTERS/FILE

## Inflation teaches five lessons for the next crisis

REUTERS, London

Central bankers are close to declaring mission accomplished. After inflation soared beyond 9 percent following the pandemic and Russia's invasion of Ukraine, it's tumbling back toward the 2 percent level targeted by the US Federal Reserve and its peers in Britain and Europe.

They were initially wrong-footed, but eventually responded with sharp and swift increases to benchmark interest rates. And contrary to most predictions by economists and market strategists, this aggressive policy did not trigger major recessions in the world's largest economies.

For monetary authorities, this is as good it gets. But before Fed Chair Jerome Powell, European Central Bank boss Christine Lagarde and Bank of England Governor Andrew Bailey close the book on this treacherous period, they would be well-served to acknowledge the amount of luck that was involved and learn what they could do better when the next crisis rolls around.

As Alan Greenspan, one of Powell's predecessors, once said, "Excessive optimism sown the seeds of its own reversal."

In that spirit, here are five useful takeaways.

**BE HUMBLE:**

Modesty is a relative concept here. By the standards of corporate chieftains, central bankers are typically even-keeled, soft-spoken and deliberate. During this economic cycle, however, they often came off too confident in their convictions.

That's particularly true for Powell and his penchant for

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