BUSINES

The government overestimated annual revenue collection targets and future expenditures over the past 11 years, according to a finance ministry document.

Story on B4



Remittance shows signs of decline

STAR BUSINESS REPORT

Bangladesh received \$1.65 billion in remittances in the first 28 days of July, signalling a decline owing to the internet blackout, which blocked banks from collecting much-needed currencies migrant workers.

The inflow was 16 percent lower compared to the full month of July a year ago, according to central bank data. It was also 35 percent lower than the remittance inflow in June this year.

"Remittances did not arrive as the internet connection was disrupted for four or five days," said Selim RF Hussain, chairman of the Association of Bankers Bangladesh (ABB).

Bangladesh witnessed an internet outage around 9pm on July 18 in the face of violence, deaths, and injuries centring the quota reform movement.

The government only broadband restored connection on a limited scale from July 23 before restoring broadband internet across the country the next day.

Remittance collection remained suspended during the outage, said bankers, adding overall flow of receipts did not pick up even after the restoration of the internet.

Central bank data showed that the inflow of remittances, a key source of foreign currencies, stood at \$138 million from July 21 to July 27, the lowest among the four weeks of the month.

Hussain, also managing director and CEO of BRAC Bank, said overall flow may fall this month because of the internet outage.

In the four weeks of July this year, daily average remittance flow declined 7 percent yearon-year to \$59.18 million.

The daily average inflow so far in July was also lower than the daily inflow of \$84.7 million in June this year.

Hussain said expatriates send money to their families based on their needs.

"I do not believe that remittance inflows will be READ MORE ON B3



The disruption in production at garment factories caused by violence stemming from the quota reform movement as well as a nationwide curfew and internet blackout has created anxiety among foreign buyers, who are desperate to receive timely shipment of goods ahead of the Christmas season.

Apparel retailers express concern about shipment delay

STAR BUSINESS REPORT

International clothing retailers and brands yesterday expressed concern about the timely shipment of goods following the latest spell of violence stemming from the quota reform movement, imposition of curfew and five-day internet blackout, which crippled economic activities.

In light of the situation, retailers urged leaders of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) to ensure timely shipment of goods to be sold during the Christmas season.

also demanded that the government quickly restore high-speed internet and broadband services to allow quick communications with their headquarters abroad.

They made the demands at a meeting with BGMEA leaders at the trade body's office in the capital's Uttara.

meeting between the BGMEA and buyers,

important issues came to the fore due to the recent crisis.

For example, buyers called for addressing the backlog and congestion of containers at the Chattogram and Benapole ports so that export activities could run smoothly, according to a senior BGMEA leader who was present at the meeting.

Their concerns had been compounded by the fact that factories faced a complete shutdown for four days, especially as the months of July, August and September are the peak time for the shipment of goods to be sold during Christmas, the biggest retail sales extravaganza in the Western world.

It is also the peak time to confirm the prices of goods to be shipped next summer and spring.

The disruption in production, delivery and shipment took place at a time when Bangladesh's exports were trending

Although it was a regularly scheduled billion in the July-May period of FY23 to \$37.35 billion in the same period of FY24,

according to data from the Bangladesh

In the same period, Bangladesh's garment shipments fell 5.2 percent to \$33.04 billion.

At present, many garment factories cannot continue timely production due to a lack of raw materials like yarn, which could not be transported to factories because of the volatile situation over the past week.

Furthermore, suppliers had to cancel hundreds of pre-scheduled meetings and factory inspections over the past week.

Almost all the major garment sourcing companies were present at the meeting, including representatives from retailers like H&M, M&S and Bestseller.

expressed concern about difficulties transporting goods as well as shipments from Chattogram port while also lamenting the slow internet speed, Overall exports declined from \$39.69 which hindered communication with their headquarters.

READ MORE ON B3

Shipping woes cripple non-RMG exporters

JAGARAN CHAKMA

Although the plight of the readymade garment (RMG) sector has stolen the limelight, non-RMG industries have also witnessed unprecedented shipment woes, including cancellation of bookings, due to the upheavals over the past week.

Violence centring the quota reform protests, a nationwide curfew imposed by the government and a five-day internet blackout brought nearly all economic activities to a standstill, including at the country's premier seaport in Chattogram.

Although the country's main port has become fully operational, non-RMG exporters alleged that they had been getting less priority in booking shipments despite accounting for around 17 percent of the country's exports and playing a big role in export diversification.

Against this backdrop, their shipments will be delayed, which will not only create an image crisis but also result in demurrage and cause them to sell products at discounted rates, they said.

"We had to cancel some export consignments due to violence and curfew while the internet outage turned the port practically non-functional," said Kamruzzaman Kamal, director of marketing at Pran-RFL Group, which exports around 900 varieties of food and non-food products to 145 countries.



outage turned the port practically nonfunctional.

Kamruzzaman Kamal Director of marketing at Pran-RFL Group

"At the same time, we could not carry on correspondence with our buyers due to the internet outage", he said, adding that no one anticipated that the economy would suffer such a sudden shock. Kamal added that they were accustomed to email

communications with buyers and that there was little scope for manual correspondence. As such, regular export activities were severely hampered.

He also said the disruption would affect at least 30 percent of their planned annual exports.

Zahangir Alam, chief financial officer at Square Pharmaceuticals, said it was an unpleasant experience as the distribution of medicines was affected, which forced them to manually issue invoices to deliver products.

But he added that they did not face much trouble as their export quantity is nominal compared to sales in the domestic market.

According to him, the company exports only around 4 percent of its annual output. So, the impact in the export segment was insignificant.

However, the experience Pharmaceuticals was quite the opposite.

Wasim Haider, senior manager (international marketing) at Beximco Pharmaceuticals, said all exports had been suspended since July 18.

READ MORE ON B3

VPN use surges to bypass restrictions

STAR BUSINESS REPORT

In the wake of violence centring protests in Bangladesh, a massive surge in virtual private network (VPN) usage has been witnessed as citizens strived to circumvent government-imposed internet restrictions.

Bangladeshi social media users are not getting uninterrupted access to the platforms as the government has put in strict blocking mechanisms until the tech companies comply with its demands. The international internet gateway (IIG) operators were

instructed to block Facebook, the most popular app in the country with about 5.5 crore users, from the gateway devices by the Department of Telecommunications, The Daily Star has learnt from people with knowledge of the

Meta's other platforms such as Messenger and WhatsApp and ByteDance's TikTok -- the most popular social media and instant messaging apps -- are on top of the block list, they said.

The aim of limiting access to social media platforms and news websites in this scenario is usually to restrict communication among protesters and prevent the dissemination of information that could incite further

However, such restrictions have inadvertently fuelled a surge in VPN usage as citizens seek alternative means to access blocked content and communicate securely.

Politically-motivated lending causing bad loans to spiral: WB

REJAUL KARIM BYRON and AM JAHID

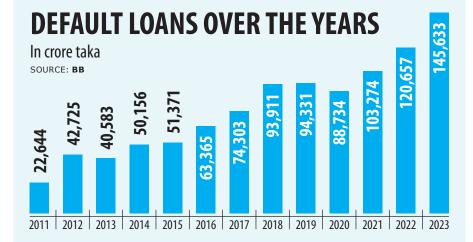
The amount of bad loans has been spiralling in Bangladesh owing to rampant politically-motivated lending and inadequate credit risk management, according to a World Bank report.

"Non-performing loans (NPLs) are rising, triggered by widespread relatedparty and politically directed lending on the back of weak credit risk management,"

The global lender prepared the report as a project information document for a \$400 million loan project for Bangladesh, which is still under scrutiny. This project is designed to support financial stability and inclusion by enhancing financial sector infrastructure and safety net and fostering access to catalytic private sector finance in Bangladesh.

The WB said NPLs had officially increased by 20.7 percent year-onyear at the end of December 2023 to 9 percent of the loan portfolio, but that was significantly understated due to lax NPL definition, poor accounting and disclosure standards and regulatory

State-owned banks account for almost half of the NPLs, it added.



"Growing NPLs and rising cost of funds lower banks' returns and ability to build additional capital buffers, while the requirement to distribute dividends even by loss-making banks further depletes banks' reserves and increases risks to depositors and creditors," it added.

The WB said the four watchdogs who regulate the financial sector -- namely Bangladesh Bank, Insurance Development and Regulatory Authority, Bangladesh

Securities and Exchange Commission, and Microcredit Regulatory Authority -- lack operational independence, powers, skills, and the modern legislation necessary for sound financial sector development.

Despite recent efforts supported by the World Bank and other international financial institutions, much of the financial sector regulatory framework international standards, it said.

being triggered because of long-standing poor governance, weak market discipline, and low capital buffers, according to the

"The reported aggregate banking sector capital adequacy ratio (CAR) 11.64 percent in December 2023 - is too low given the high level of risks in the banking sector. At least 16 banks are undercapitalised, with special BB waivers for deferred loan loss provisions (LLP) and capital increases."

Besides, the existing framework for intervening in ailing financial institutions is weak, with authorities relying on mergers and capitalisation using state money to deal with failing banks, it said.

In December 2023, the central bank adopted a new Prompt Corrective Action (PCA) framework, supported by the WB, but it will not be fully in force until April 1, 2025, it said.

As a way forward, the World Bank said broad-based financial sector reforms are crucial for mobilising the private capital necessary to drive further growth.

This in return requires the authorities to address in a timely and orderly still needs to be brought in line with manner the persistent financial sector

MyPrime









BUSINES

UK retail sales stumble again

REUTERS, London

British retailers suffered another bad month in July and expect further weakness in August as poor weather and generally weak trading conditions continued to hamper demand, the Confederation of British Industry said on Monday.

The CBI said its monthly retail sales balance sank to -43 in July from June's reading of -24, its lowest since April.

Retailers forecast the index would improve to -32 in August, but that was still the weakest outlook since February.

"July marked disappointing month for the distribution sector, with retailers feeling the sting from a harsh mix of unfavourable weather conditions and ongoing market uncertainty," CBI principal economist Martin Sartorius said.

"While the downturn in sales volumes is set to continue next month, some firms expressed hope for an improvement in market post-general conditions election," he added.

Official retail data showed that sales volumes dropped by 1.2 percent in June from their level in May, hampered by unseasonably cool weather.

However, high inflation has also been a major factor eating into shoppers' purchasing power until recently, and overall sales volumes in June were still below where they were just before the start of the COVID-19 pandemic in February 2020.

Stocks fall as large-cap scrips take a blow

DSEX declines 0.99% to end the day at 5,330

STAR BUSINESS REPORT

Stocks in Bangladesh fell for the second consecutive day vesterday mainly because of a price fall in large-cap scrips.

The engineering sector experienced the highest loss of 1.74 percent followed by telecommunication 1.49 percent, nonbank financial institutions 1.28 percent and fuel & power 1.12 percent.

The banking sector also logged a loss of 0.89 percent followed by pharmaceuticals 0.52 percent and food and allied 0.45

As a result, the DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), went down 53 points, or 0.99 percent from the previous day to end the day at 5,330.

Likewise, the DSES, the index for the shariah-based companies, decreased 11 points, or 0.78 percent, to 1,166 while the DS30, the index for blue-chip stocks, slumped 18 points, or 0.96 percent, to 1,902.

However, the turnover, which indicates the total value of the day's trading, hit Tk percent lower than that of the previous Insurance Company. trading session.

The daily trade of the block market, meaning high volume transactions of privately negotiated securities outside the open market, contributed 3.5 percent of the overall market turnover.

Agni Systems was the most traded share with a turnover of Tk 27.6 crore.

Of the issues that traded on the country's premier bourse, 27 advanced, 332 declined and 33 remained unchanged.

Almost all the sectors closed in the negative territory, according to the daily market update by UCB Stock Brokerage. The information technology, services &

real estate and paper & printing were the top three sectors that closed on a negative note. The pharmaceuticals sector dominated the turnover chart covering 20.99 percent of the day's total turnover.

Techno Drug topped the gainers' list with a rise of 9.89 percent followed by Renwick Jajneswar & Company Bangladesh, Libra

450 crore yesterday, which was around 7.82 Infusions, United Finance and Rupali Life

Fareast Finance & Investment, Meghna Condensed Milk Industries, Esquire Knit Composite, Gemini Sea Food and Saiham Textile Mills were also on the gainers'

Phoenix Insurance Company shed the most, losing by 3 percent, followed by Bangladesh Autocars, HR Textile, Rangpur Foundry and Janata Insurance Company with a close margin of over 2 percent.

Standard Insurance, Phoenix Finance and Investments, Sonargaon Textiles, Standard Ceramic Industries and Al-Haj Textile Mills also suffered losses.

Trust Islami Life Insurance, Legacy Footwear, National Tea Company and Bangladesh Lamps were also on the losers'

The Chattogram Stock Exchange witnessed a downward trend as the Caspi, the key index of the port city bourse, slipped by 113 points, or 0.73 percent, before getting settled at 15,273.

Standard Bank declares 5% dividends

STAR BUSINESS DESK

Standard Bank yesterday declared 5 percent dividends, including 2.5 percent cash dividend, for the year that ended on December

The declaration came at the bank's 25th annual general meeting (AGM), which was held at the Police Convention Hall on Eskaton Garden Road in the capital's Ramna, the bank said in a press release.

Kazi Åkram Uddin Ahmed, chairman of the bank, presided over the meeting and presented the "Annual Report 2023" and "Directors' Report" of the bank.

He congratulated the shareholders, guests and employees of the bank and thanked them for their active participation, commitment and contribution to the bank.

Md Ali Reza, company secretary (acting) of the Shariah-based bank, conducted the meeting.



Kazi Akram Uddin Ahmed, chairman of Standard Bank, presides over the bank's 25th annual general meeting at the Police Convention Hall on Eskaton Garden Road yesterday.

bank, Kamal Mostafa Chowdhury, Ashok Kumar Saha, Ferozur Rahman, SAM Hossain, Mohammed Abdul Aziz, Mohammed Ahmed, AKM Abdul Alim and Md Abul

Md Manjur Alam, vice-chairman of the Hossain, directors, attended the event.

Najmul Huq Chaudhury, Golam Hafiz Ahmed and AKM Delwer Hussain, independent directors of the bank, Muhammad Saifullah, Shamsul Alam, Gulzar Ahmed, Md Zahedul chairman of the Shariah supervisory Hoque, Ferdous Ali Khan, Kazi Khurram committee, and Saidur Rahman and Alamgir Kabir, observers, were present.

Eastern Bank wins Euromoney's 'Best Bank' award

STAR BUSINESS DESK

Eastern Bank recently won awards in two categories at the "Euromoney Awards for Excellence 2024" held in London.

The categories are "Best Bank" and "Best Bank for Corporate Responsibility".

Eastern Bank is the first bank in Bangladesh to receive the coveted "Best Bank" award for the fifth time, according to a press release.

In 2023, the bank's net profit surged 19.6 percent while its assets grew 11.5 percent, showcasing the bank's resilience and strategic prowess.

The bank's return on equity improved significantly to 16.3 percent, up from 15.5 percent in 2022, reflecting its strong financial health and efficient management.

The retail loan segment witnessed significant growth, driven by the success of Eastern Bank's home loan and personal loan offerings.

The bank made substantial inroads in the home loan market, acquiring over 6,000 new home loan clients.

Similarly, the SME loan portfolio grew 19 percent in 2023. The bank successfully onboarded 292 new companies and established over 33,000 payroll accounts. The bank's focus on automation played a

crucial role in enhancing customer satisfaction by streamlining processes and reducing turnaround Eastern Bank also implemented QR

transactions, enabling customers to initiate transactions seamlessly by scanning QR codes through the bank's app.

Additionally, the bank introduced "Digi-Remit" services to facilitate efficient remittance In terms of corporate social responsibility (CSR)

in 2023, the bank's board approved a policy to allocate 2 percent of its latest distributed profits to CSR initiatives annually. However, the bank exceeded this target,

committing Tk 6.1 billion to various CSR programmes, a 20 percent increase from 2022.

For over 30 years, Euromoney has recognised banks and bankers. Nearly 600 banks enter the "Awards for

Excellence" every year, making it the most comprehensive awards programme in the industry.

Rupee hits record low

REUTERS, Mumbai

The Indian rupee fell to a record low on Monday, pressured by month-end corporate dollar demand, although likely intervention from the Reserve Bank of India helped avert further losses.

The rupee closed at 83.7275 against the US dollar, unchanged from its close on Friday, after hitting an alltime low of 83.74 earlier in the session.

Factors such as outflows from local equities, volatility in the Chinese yuan and tepid risk appetite have contributed to weakness in the rupee in recent sessions. The currency has hit all-time lows in five out of the last six trading sessions.

The dollar index $\rm \bar{w}$ as up slightly at 104.5 while most Asian currencies gained between 0.1 percent and 0.8

The RBI likely sold dollars via state-run banks, in order to cap weakness in the rupee, traders said.

While the central bank has been intervening to support the rupee, the dollar sales have been "passive," suggesting that it wants depreciation to occur gradually instead of pushing the currency higher, a foreign exchange salesperson at a private bank said.

Meanwhile, dollar-rupee forward premiums jumped, with the 1-year implied yield up 5 basis points (bps) at 1.83 percent, its highest level since February, aided by the decline in US bond yields.

The 1-year US Treasury yield was little changed at 4.81 percent in Asia trading, after falling 4 basis points on Friday in light of data that signalled inflationary pressures in the US are moderating.

Oil prices stabilise

Oil prices were stable on Monday as fears of a widening conflict in the Middle East after a rocket strike in the Israeli-occupied Golan Heights put a floor under last

Brent crude futures gained 7 cents, or 0.09 percent, to \$81.20 a barrel at 1007 GMT. US West Texas Intermediate (WTI) crude futures rose by 1 cent, or 0.01 percent, to \$77.17.

The Brent and WTI benchmarks lost 1.8 percent and 3.7 percent respectively last week on sagging Chinese demand and hopes of a Gaza ceasefire agreement.

"A rather muted opening greets oil prices after Middle East tension is back on the menu due to a reported Hezbollah attack," said PVM analyst John Evans, referring to the strike on Golan Heights.

On Sunday Israel's security cabinet authorised Prime Minister Benjamin Netanyahu's government to decide on the "manner and timing" of a response to the attack that killed 12 teenagers and children.

Israel vowed retaliation in Lebanon against Iranbacked Hezbollah, which denied responsibility for the attack. Israeli jets hit targets in southern Lebanon on

The tensions have spread to several fronts and are in danger of spilling into a wider regional conflict, sparking investor concerns about the potential impact on crude output from the world's largest oil-producing region.



Evaluate PQ applications & prepare a PQ evaluation

k) Prepare bidding documents & Assist CWASA in issuing bid invitation, conducting pre-bid conferences.

i) Evaluate bids & prepare a bid evaluation report.

m) Assist CWASA in contract negotiation & prepare a draft n) Construction supervision for work packages (CP-1, CP-2 and CP-3 etc.)
Supervision of CWASA's entire process implementing environmental assessment
Implementation of Environmental Management Plan (EMP), Environmental Monitoring Plan (EMoP) and Abbreviated Resettlement Action Plan (ARAP). To undertake technology transfer to CWASA. Support for public awa Promotion of house connection The Consultant must have the experience of providing Consultancy Services for preparation of detailed engineering design and procurement documents complying with "Guidelines for Employment of Consultants under Japanese ODA Loans (October 2023)" in Design, Build, Construction Supervision and Contract Management; and successful commissioning of simila type of facilities and services as mentioned in serial 16. 18. Other Details (if applicable) The expression of interest must include the following information that would lead in preparing short listing 1) Background of the Firm(s) with brochures etc. General and Overall experience of the Firm(s)
Experience in similar projects of comparable size complexity and technical specialty of firms in the required area

Experience in developing countries under environmental and geographical conditions Experience with Japanese ODA projects. Annual Turnover of the firms for the last five years along with audit report Nature, total cost, total inputs in terms of man-month indicating area of expertise, employer, and location of the similar works in hand, if any Summary of permanent professionals and technica employees with key qualifications (in tabular form) in the fields of major components of the project as well as scope of work as mentioned in serial 16 While indicating information relating to above serial 18 (3), it shall be made clear whether the responsibility of the firm was in the capacity of a principal firm or as one associated with a principal firm. 10) The EOI shall be submitted in one (1) original, two (2) copies, and one soft copy in USB in a scaled envelope Additional information: Consultant may associate with other Consultants to enhance their qualifications, but should mention whether the association is in form of "joint venture" or "sub-consultancy". The consultang firm(s), which (are) "solely" or "jointly" and "severally" liable for the entire performance under the contract, shall not be allowed to participate in more than one proposal in any capacity including sub-consulting or association. A consultant, if acting in the capacity of sub-consultant or association member (not liable for the entire contract) in any proposal, may participate in more than one proposal, but only in that capacity. Consultant without having eligible criteria should not apply for EOI. Interested Consultants may obtain further information at the address of the undersigned during normal office hours. Expressions of Interest shall be submitted in sealed envelope, delivered to the address of the undersigned and be clearly marked "Request for Expression of Interest (EOI) for Selection of Engineering Consultants for Engineering Design & Construction Supervision of Chattogram Sewerage System Development (Catchment-2 & 4) Project Under Chattogram Phasing of Services Completion Date Date Nov/2025 Chattogram City process including PQ 46.06.0000.304.95.08.2023 Corporation, Chandgaon, Sep/2028 DLP

Muhammad Nurul Amin

Project Director, Chattogram Sewerage System Development
Project (Catchment-2 & 4) &
Superintending Engineer, MOD Circle, Chattogram WASA

Office of the Superintending Engineer, MOD Circle,
Chattogram WASA Bhaban (2nd floor), Dampara, Chattogram,
Banatagash Address of Official Inviting EOI Bangladesh.
Phone: +880-2333-353571, Mobile: +880-1554-336007 Contact details of Official Inviting EOI Email: ratanbd@gmail.com

25. The Procuring Entity reserves the right to accept or rejects all EOI's. (Muhammad Nurul Amin) Project Director, Chattogram Sewerage System Development Project (Catchment-2 & 4)

Superintending Engineer, MOD Circle

Chattogram WASA, Chattog Tel: +880-2333-353571

Email: ratanbd@gmail.com



Although the annual 65-day government ban on sea fishing ended last week, fishing trawlers of all sizes remain docked as a low-pressure area in the Bay of Bengal is causing huge waves and high wind speeds that threaten their safety. The picture was taken from a wharf along Karnaphuli river in Chattogram recently. PHOTO: RAJIB RAIHAN

Fishing trawlers lying idle for rough sea

Fishers already counting losses for a 65-day ban on fishing

MD NAZRUL ISLAM, Chattogram

Fishers in coastal regions of Bangladesh have yet to begin operations as the sea remains rough due to a low-pressure area in the Bay of Bengal, according to industry people.

Besides, this delay could cause losses for fishers as they already had to suspend their activities during an annual 65-day government ban on fishing in the sea that began on May 20.

And although some tried to brave the waters, they were ultimately forced to return empty handed.

As such, many fishing trawlers are now lying idle at different wharfs across Chattogram, Cox's Bazar, Barishal,

Patuakhali and Mongla. Md Aminul Haque Babul Sarkar,

Trawler Owners Association, said the 65day ban was annually imposed to facilitate the breeding of marine fish.

Most fishers had set sail the very night this year's ban ended on July 23. However, they came back the next day with nothing to show for it as the high wind speeds and large waves had raised serious safety

Abul Hossain, the owner of two fishing trawlers, said he spent about Tk 4 lakh on food, fuel, fishing equipment and other accessories to take his two vessels out to sea to catch fish on July 24. But now, much of this investment

could go to waste as the vessel owners are having to count costs even though their earnings are at a standstill.

"For example, we have to pay the

general secretary of Chittagong Fishing workers' wages even while they have no work at hand," he said.

Officials of Patenga Meteorological Office in Chattogram said a low-pressure area has formed over the Bay of Bengal's northern region and its surrounding areas.

A Danger Signal No. 3 was lifted last evening for the Chattogram, Cox's Bazar, Mogla and Payra seaports. It had referred to a storm which was likely to hit the area.

Abdus Sattar, director of the Marine Fisheries Directorate of Chattogram, said most of the roughly 263 industrial fishing vessels and 29,358 wooden trawlers across Bangladesh have returned to the coast.

He also informed that the fisheries sector contributes 2.43 percent of the country's annual GDP.

And while Bangladesh currently earns about Tk 500 crore from exporting fish

every year, the government plans to increase this income to Tk 1,500 crore by

As per data of the fisheries department, about 47.59 lakh tonnes of fish were produced throughout the country in fiscal 2021-22. Of this amount, marine fish accounted for 7.6 lakh tonnes.

Mostak Ahmed, organising secretary of the District Fishing Trawler Owners' Association in Cox's Bazar, said many of the roughly 5,000 fishing trawlers in the area had set off on July 24.

"But they later returned without catching anything as the sea was rough with high wind speeds that made it difficult to keep trawlers steady," he said.

"Accidents can happen anytime under such conditions and so, they returned to shore," Ahmed added.

Robi's profit rises fourfold

STAR BUSINESS REPORT

Robi Axiata PLC has registered a hefty jump in its profits in the second quarter of 2024 mainly depending on higher sales and lower spending for raw materials.

The country's second largest telecom company's profit hit Tk 107 crore in the April-June period of this year, which is over four times higher from last year same period's Tk 24 crore.

"Despite the economic woes and the mounting regulatory challenges, we are happy to see Robi continuing on the growth trajectory," said Rajeev Sethi, managing director and CEO of Robi.

The company has continued to invest heavily in its network to ensure quality experience for its customers, as data consumption by its users is

Unfortunately, the significant taka devaluation that took place due to the introduction of crawling peg method for currency exchange rate adjustment and the rising borrowing cost had knocked off a large chunk of Robi's profit for the quarter, despite its razor-sharp focus on efficient cost management, Sethi said.

His comment came in a press release released yesterday.

Robi's foreign exchange loss was Tk 47 crore in the three months to June this year while it was Tk 6 crore in the same period of 2023.

According to the financial report of the company, its sales rose while costs of revenue or raw materials dropped, which contributed to a rise in profits.



Gold Oil \$2,391.43 \$77.20 (per barrel)	11	COMMODITIES		
\$2,391.43 \$77.20	7 TO A OIL	Gold 🔻	Oil 📥	
		\$2,391.43 (per ounce)		

ASIAN	MARKE1	TS	
MUMBAI	токуо	SINGAPORE	SHANGHAI
0.05% 81,287.35	2.13% 38,468.63	0.52% 3,444.18	0.03% 2,891.85

VPN use surges

A VPN offers users the in various ways. We will their internet traffic risky," he said. and routing it through "For personal security rumours. servers located in other and information security,

A research team of vpnMentor, a team of 265 writers, and editors, found will get the password," he information," he said. an astonishing 5,016 added. percent increase in VPN demand in Bangladesh during the past week starting July 22.

The demand reached its peak three days later on July 25.

After the de-escalation of the situation around the country, broadband internet was restored and VPN demand started to go back down on July 25.

However, as of filing of this report last night, infrastructure. demand remained high at over 2,500 percent.

State Minister for ICT Zunaid Ahmed Palak urged citizens not to use VPNs.

vulnerabilities

"At this moment, many infrastructures," he said.

distort credit flows and, if

and the people's savings."

and crisis preparedness

strengthened in the face of

system (DIS) for banks

and non-bank deposit-

decades ago, is not fully

operational and does not

comply with international

standards, according to the

coverage is low and the

rising stability risks.

financial sector safety net end 2023.

framework need to be framework

It said deposit insurance framework."

are using different apps

financial

Palak, though, continues are using VPNs available He was one of the first purchase the services. persons to take to Facebook

dozens of posts on his

on Tuesday in selected

verified Facebook page. kept open for some key moment," he said.

"We haven't world at any time. We use them. VPNs were used had to keep the internet in Bangladesh in the past

Politically-motivated lending

several banks in the past,

"The crisis response

access to lender of last

resort, least cost resolution

established under BB two of government funds to bail growth slowed to 9.9

out domestic systemically

important banks, mandate

and operations of financial

stability committee, and

communications

causing bad loans to spiral

fragmented.

transparent,

left unattended, may lead it did not trigger insured

to large losses to the budget deposits despite a large

The WB also said the nearly \$ 1.2 billion as of the

The deposit insurance underdeveloped, including

crisis

taking institutions, while and liquidation tools, use

He said his social media accounts remained active so ability to bypass imposed request that they avoid that the "right explanation" firewalls by encrypting using VPNs as they can be could be shared from the government and counter

"I have kept all of my we should refrain from social media active and I using VPNs. If we perform am trying to keep it active transactions so that the media and cybersecurity researchers, with a VPN, the providers the people get authentic Meanwhile, many people

> to use Facebook prolifically. for free and some opted to Mustafa Jabbar, former

> after the government minister for ICT and resumed broadband service telecom, has recently purchased VPN services. "When you create an

Since then, he has given impediment, people seek ways to overcome it. In the realm of technology, if you Asked about it, he said lock something, it can be the internet had been broken by someone at any

"VPNs are not used by got just a few people; millions disconnected from the of people across the globe open for some important and continue to be used

foster sustainable financial

sector has shown rapid

growth in loans and

deposits over the past

constrained by tightened

liquidity in the banking

sector and rising interest

Private sector credit

percent in the first nine

months of FY24 from 16.2

percent in the same period

New letters of credit

declined from \$8 billion

remains decade, private sector

a year earlier.

non- access to credit is now

The global lender added

intermediation, it said.

Apparel retailers

After the meeting, BGMEA president SM Mannan Kochi said retailers and brands assured them that they would not seek or cancel work orders.

added production had resumed at factories while internet services and operations were restarted meetings after the prime minister, ICT minister, home minister and shipping minister over the last few days.

The BGMEA chief also said retailers were a bit worried as they want fast internet and smooth operations in ports.

The garment sector incurred production losses amounting to Tk 6,400 crore during the four-day shutdown. Additionally, Tk 1.000 crore will have to be

He said both the domestic

were dependent on the

internet and that the

blackout had seriously

for the shipment of four

consignments of goods had

to be cancelled in the past

10 days and that keeping

in touch with clients over

the phone was proving

troublesome, especially

regarding shipment and

managing director of

Picard Bangladesh, which

exports leather products,

both production and

the

said

disruption

Saiful

He further said bookings

hampered trade.

payment details.

Shipping woes

and global supply chains be compelled to offer

paid to workers although there was no production in

the units. urged Kochi government to keep the garment sector out of discounts or air shipments the purview of curfews or any kind of political activity considering the importance of the sector.

Last week, Mohammad Ali Khokon, president of the Bangladesh Textile Association, said the primary textile sector. which includes spinning, weaving, dyeing and finishing activities. lost \$58.8 million in six days due to the shutdown and internet blackout, which is

about \$9.8 million per day. Although buyers are not cancelling work orders or seeking discounts, they are putting a pause on work orders or delaying them, which is creating a stockpile of yarn and fabrics in mills.

Islam said he would

discounts from 10 percent

to 40 percent on his

products due to delays

in shipment as those are

But it varies depending

on the buyer and product,

he said, adding that buyers

usually seek discounts if a

shipment is delayed by just

unprecedented disruption

caused buyers to raise

questions about the

capacity of manufacturers,

security, and political

stability, which are issues

that have not been flagged

in the past five to six years.

social

According to Islam, the

seasonal products.

a couple of weeks.

infrastructure,

China's manufacturing activity seen extending decline

REUTERS, Beijing

expectations officials will need to release further stimulus as a protracted property crisis and job insecurity drag on growth.

The official purchasing managers' index (PMI) was forecast at 49.3, down from June's reading of 49.5, according to the median forecast of 31 economists in the poll. The 50-point mark separates growth from contraction in activity.

The world's second-largest economy grew much slower than expected in the China's factory activity likely shrank second quarter, with the consumer sector for a third month in July, a Reuters a particular cause for concern. Retail poll showed on Monday, keeping alive sales growth sank to an 18-month low as deflationary pressures forced businesses to slash prices.

Solid exports have provided some support in recent months and propped up progress towards the government's growth target of around 5 percent, but as a growing number of trade partners mull import tariffs, the jury is out on whether that boost can be sustained.

ক্যান্টনমেন্ট বোর্ড

নংঃ ২৩.২২.৭০০১.০১৬.১৪.০১৪.১৯.সিঃহাঃ ফার্মেসী-১৪৯৯

তারিখঃ ১৩ শ্রাবদ, ১৪৩১

এতধারা সকলের অবগতির জন্য জানানো যাচেছ যে, ঢাকা ক্যান্টনমেন্ট বোর্ড পরিচালিত সিরাজ খালেদা মেমোরিয়াল ক্যান্টনমেন্ট বোর্ড

ক্ৰঃ নং	স্থাপনার বিবরণ	সরকারি মৃশ্য	দরপত্রের মূল্য (অফেরতযোগ্য)	যে তারিখ পর্যন্ত দরপত্র বিক্রয় করা হবে	দরপত্র দাখিলের তারিখ	মন্তব্য
ক্যান্টনমে বোর্ড জেনারেল হাসপাতা অভ্যন্তরে		া (পনেরো লক্ষ রিয়াল আটাশি হাজার)	হাজার) টাকা	০১/০৮/২০২৪ হতে ১৪/০৮/২০২৪	\$\$/ob/2028	
	মেমোরিয়াল ক্যান্টনমেন্ট			২০/০৮/২০২৪ হতে ২৮/০৮/২০২৪	২৯/০৮/২০২৪	
	জেনারেল হাসপাতালের			০২/০৯/২০২৪ হতে ১০/০৯/২০২৪	\$\$/o\$/\$o\$8	
			১২/০৯/২০২৪ হতে ১৯/০৯/২০২৪	২২/০৯/২০২৪		
				২৪/০৯/২০২৪ হতে ২৯/০৯/২০২৪	৩০/০৯/২০২৪	

১। দরপত্র সিডিউলসমূহ ক্যান্টনমেন্ট বোর্ড, ঢাকা ক্যান্টনমেন্ট হতে অফিস চলাকালীন সময় পর্যন্ত (সরকারি ছুটির দিন ব্যতিত) ক্রয় করা যাবে

২। ক্যান্টনমেন্ট বোর্ড, ঢাকা সেনানিবাসে প্রতিটি ধার্য তারিখে বেলা ১২.০০ ঘটিকা পর্যন্ত দরপত্র গ্রহণ করা হবে এবং ঐদিনই বেলা ১২.৩০ ঘটিকায় দরপত্র বাব্ধ খোলা হবে। দরপত্র বাব্ধ খোলার সময় দরদাতাগণ উপস্থিত থাকতে পারবেন। এক দফায়/পর্বে বিক্রয়কৃত দরপত্র অন্য পর্বে আহ্বানকৃত দরপত্র হিসেবে ব্যবহার করা যাবে না। দরপত্র দাখিলের তারিখে সরকারি ছটি হলে পরবর্তী কার্যদিবসে দরপত্র দাখিলের জন্য নির্ধারিত হবে।

৩। খামের উপর দরপত্রদাতার নাম, ঠিকানা (মোবাইল নম্বরসহ) ও স্থাপনার নাম উল্লেখ করতে হবে।

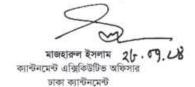
৪। দাখিলকত প্রদন্ত দরের ৫০% অর্থ "ক্যান্টনমেন্ট এক্সিকিউটিভ অফিসার, ঢাকা ক্যান্টনমেন্ট" এর অনুকলে পে-অর্ভার/ব্যাংক ড্রাফট এর মাধ্যমে দরপত্র সিভিউলের সাথে জমা করতে হবে। কোনক্রমেই চেক গ্রহণযোগ্য নয়। অবশিষ্ট টাকা কার্যাদেশ প্রাপ্তির ০৭ (সাত) দিনের মধ্যে জমা করতে হবে। উল্লেখ্য, তথুমাত্র অনুমোদিত সর্বোচ্চ দরদাতার পে-অর্ভারটি জমা রাখা হবে এবং অন্যদের পে-অর্ভার ফেরত প্রদান করা হবে।

৫। দরপত্র সিডিউলে দাখিলকৃত দর কোনক্রমেই সরকারি মূল্যের চেয়ে কম দাখিল করা যাবে না। তাহলে দরপত্র সিডিউল

৬। সরকারি বিধি মোতাবেক ভাটি ও আয়কর পরিশোধ করতে হবে।

৭। দরপত্র সিভিউলের সাথে সদ্য তোলা পাসপোর্ট সাইজের ০১ (এক) কপি ছবি, জাতীয় পরিচয়পত্রের ফটোকপি, ড্রাগ লাইসেন্স এর ফটোকপি ও টিআইএন সনদের ফটোকপি অবশ্যই দাখিল করতে হবে। অন্যথায়, দাখিলকৃত দরপত্র বাতিল

৮। যে কোন দরপত্র কিংবা সকল দরপত্র কোন কারণ দর্শানো ব্যতিরেকে গ্রহণ/বাতিল করার ক্ষমতা কর্ত্তপক্ষ সংরক্ষণ করেন।



Remittance shows

Islam,

weeklong

hindered

affected due to any negative campaign by any group," he added.

Bangladesh Bank also believes that remittance flow has been returning to normalcy for the past three

the coming days, said BB spokesman Md Mezbaul

Remittances grew 10 percent year-on-year to \$23.9 billion in FY24, according to central bank

FROM PAGE B1

Haque.

Upgrading per month in FY22 to \$5 payout mechanism is regulatory and supervisory billion per month in FY24, undeveloped and was capacity of the central bank according to the report.

never tested. While BB is also required to safeguard

revoked the licences of market confidence and

accumulated DIS fund of that while the banking

BUSINES

Britain shakes up listing rules to attract investment

REUTERS, London

Britain's biggest reform of company listing rules in over three decades takes effect on Monday on the London Stock Exchange, a measure intended to help it compete more effectively with New York and the European Union after Brexit.

The reforms, government efforts to attract more private investment into the British economy, have divided opinion.

Shareholders say their rights will be eroded, but supporters say the reform aligns Britain with practices elsewhere and will make London cheaper and more competitive for companies to raise cash and allow bigger risk appetite to boost growth.

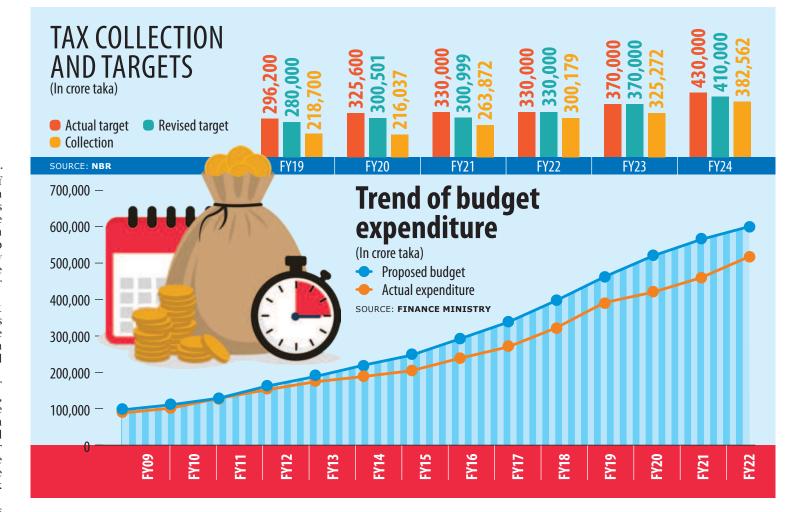
Here are some details of the new rules from the Financial Conduct Authority (FCA):

The existing standard and more onerous premium listing requirements will be scrapped and replaced with a single commercial companies category that has more flexible eligibility conditions, and onerous ongoing requirements.

Companies wanting to list will no longer have to provide three years of historical financial data or a clean 12-month working capital statement. It means smaller growth companies can list at an earlier stage.

The rules signal a fundamental shift to a more disclosure-based system to cut red tape for companies. Companies listed under the commercial companies category will no longer have to hold a shareholder vote on what are known as significant related party transactions. They will still need shareholder backing for a reverse takeover transaction, share buybacks or cancellation of a listing.

Companies will also still have to apply Britain's governance code, meaning they have to say if they comply with best oractice or explain why



Govt overestimating revenue and budget targets for 11 years

MD ASADUZ ZAMAN

The government has been overestimating its annual revenue collection targets and associated future expenditures over the past 11 years, according to a finance ministry

This has been posing many risks to the economy and the management of public resources, according to experts.

The revelation came in the finance ministry's medium-term macroeconomic policy statement for fiscal years (FY) 2024-25 to 2026-27, which was made public when the national budget was proposed in June.

It included a fiscal risk statement (FRS), incorporated for the first time under the guidance of the International Monetary Fund.

"The risk associated with this pattern of estimation is that if the line ministries implement their budget allocations fully and revenue authority fails to achieve their target, then there will be an abrupt escalation of

unplanned budget deficit," said the FRS.

Between FY13 and FY23, the average revenue collection and expenditure forecast error has been found to be 2.4 percent of the gross domestic product, said the document.

In tune with this, the National Board of Revenue (NBR) in FY24 missed its tax revenue collection target for the 12th consecutive year.

The tax administrator logged Tk 382,562 crore in overall receipts, falling Tk 27,438 crore short of the revised target.

Revenue collection and expenditure remains 'artificial', then the government alongside of a budget deficit, he said.

targets are proposed in budgets at the start of faces a fiscal pressure to meet the budget the year and revised after around six months. Government expenditure is comprised of an

operating budget and a development budget. In the case of the latter, meaning the annual development programme, the ministries and divisions were able to spend around 90 percent of their revised allocations

in the last 11 years. If the initial allocation is taken into consideration, the implementation rate stands at nearly 80 percent.

The medium-term macroeconomic policy statement usually generates forecasts for three successive years from the current budget year.

The forecasts have often been observed to have been significantly different from the actual outcomes. Such deviations have profound impacts on the budget allocations. For example, if the expenditure forecast is

optimistic, it may result in excess borrowing for the financing of the budget deficit. Towfiqul Islam Khan, an economist and senior research fellow at the Centre for Policy

Dialogue (CPD), said the government has not been considering on the ground realities when setting revenue targets for the last 10 to "The frequent failures in meeting the

revenue targets spoil the credibility of the fiscal framework," he said, adding that the expenditure side also suffers for it.

"If the government's revenue target

deficit, that leads to borrowing or printing of money," said Ashikur Rahman, principal economist of the Policy Research Institute (PRI) of Bangladesh.

"If we want to ensure effective macroeconomic management, estimation must not have a very high margin

"The government should be more careful with data governance and set realistic targets. We have to become vigilant to set our revenue and expenditure targets," he suggested.

In this regard, he also cited the example of a recent export data mismatch.

Bangladesh Bank recently corrected anomalies in export figures, revising down actual exports in the July-April period of fiscal 2023-24 by nearly \$14 billion compared to data the Export Promotion Bureau had

The government can neither fully spend its development allocations nor reach revenue collection targets, said Khan of the CPD.

"When you come to accept that the revenue collection target will inevitably remain unachieved, you don't have the moral and professional grounds to hold anyone accountable," he said.

"It's kind of like cheating with oneself. It's not good from the accountability and transparency standpoints," he added.

Ultimately, this kind of overestimations create various risks for the country's institutions

Mutual Trust Bank's Q2 profit falls 9%

STAR BUSINESS REPORT

Mutual Trust Bank (MTB) has posted a net profit of Tk 37.13 crore in the April-June quarter of

This was a decline of 8.77 percent from the Tk 40.70 crore it earned in net profits in the same period last year.

As a result, earnings per share for the quarter fell to Tk 0.38, compared to Tk 0.41 a year earlier, according to the bank's financial statements.

However, for the first half of the year, the MTB's profit was up 5.3 percent to Tk 113.62 crore from Tk 107.87 crore in the corresponding period of the

Similarly, the bank's net operating cash flow per share for January to June increased significantly to Tk 21.91 from Tk 13.22.

Incorporated in 1999, the MTB operates across the country through 119 branches, 33 subbranches, 200 agent banking centres, 18 kiosks, and 310 ATMs, which include 6 CRM booths, according to its website.

The bank also maintains four air lounges and 3,220 point-of-sale (POS) machines in key commercial, urban, and rural locations.

Shares of the MTB declined by 2.38 percent to Tk 12.3 on the Dhaka Stock Exchange yesterday.

DBH Finance's profit down 18% in first half

STAR BUSINESS REPORT

DBH Finance PLC, one of the leading listed nonbank financial institutions (NBFIs) in Bangladesh, witnessed a year-on-year drop in profits of about 18 percent in the first half of 2024.

The NBFI reasoned that it had to keep a large amount in provisioning against its share market investments.

The profit in the January-June period of 2024 amounted to Tk 40 crore, down from Tk 49 crore in the same period the previous year, according to its financial statements.

The profit declined as the floor price was lifted in the stock markets and the lender set aside Tk 13.6 crore in provisioning, which is 14.74 percent of its investments, according to a disclosure on the Dhaka Stock Exchange (DSE) website yesterday.

DBH Finance's net interest income fell 9 percent year-on-year to Tk 81 crore. Its earnings per share stood at Tk 2.05 in the first six months

The Bangladesh Securities and Exchange Commission set the floor price of every stock at the end of July 2022 to halt the free fall of the market indices amid global economic uncertainties.

The floor prices were lifted last January, resulting in the DSEX, the benchmark index of the DSE, dropping over 1,000 points till June.

A low-growth world is an unequal, unstable world



KRISTALINA GEORGIEVA

The global economy is stuck in low gear, which could deal a major blow to the fight against poverty and inequality.

Group of Twenty finance ministers central-bank governors gathering this week in Rio de Janeiro face a sobering outlook. As the IMF's latest World Economic Outlook update shows, global growth is expected to reach 3.2 percent this year and 3.3 percent in 2025, well below the 3.8 percent average from the turn of the century until the pandemic. Meanwhile, our mediumterm growth projections continue to languish at their lowest in decades.

To be sure, the global economy has shown encouraging resilience to a succession of shocks. The world didn't slip into recession, as some predicted when central banks around the world raised interest rates to contain inflation.

Yet, as we move beyond the crisis years of the pandemic, we need to prevent the world from falling into a prolonged period of anemic growth that entrenches poverty and inequality.

The pandemic already set back the fight. Extreme poverty increased after decades of decline, while global hunger surged and the long-term decline in inequality across countries

New IMF analysis suggests periods of stagnation lasting four years

inequality within countries by almost percent—considerably higher than the increase due to outright

During periods of stagnation, sluggish job creation and wage growth increase structural unemployment and reduce the share of a country's income flowing to workers. Together with limited fiscal space, these forces tend to widen the gap between those at the top and bottom of the income

In other words, the longer we're stuck in a world of low growth, the more unequal that world would become. That in itself would be a setback to the progress we've made in recent decades. And as we have seen, rising inequality can foster discontent with economic integration and technological advancements.

It is therefore timely that Brazil has made fighting inequality, poverty and hunger a priority of its G20 presidency. With the right policies, we can still escape a low-growth, rising-inequality trap, while working to reduce poverty and hunger. Let me highlight three priority policy areas.

INCLUSIVE GEARING UP **GROWTH**

First, we need to address the underlying problem of slow growth. Most of the decline in growth in recent decades has been driven by a slump in productivity. A big reason for the slump is that labor and capital aren't flowing to the most dynamic firms.

But a smart mix of reforms could jumpstart medium-term growth. Measures to promote competition and improve access to finance could get resources flowing more efficiently, boosting productivity. Meanwhile, bringing more people into the labor force, such as women, could counter the drag on growth from aging populations.

We must also not forget the role

last 40 years, real income per capita has doubled globally, while more than a billion emerged from extreme poverty. Over that same period, trade as a share of gross domestic product increased by half. It's true that not everyone benefited from trade, which is why we must do more to ensure the gains are shared fairly. But to close off our economies would be a mistake.

MAKING FISCAL POLICIES PEOPLE-FOCUSED

Second, we must do more to ensure that fiscal policies support the most vulnerable members of society.

The challenge is that many economies are facing severe fiscal pressures. In developing countries, debt-servicing costs are taking up a

or more tend to push up income engine of growth and jobs. In the bigger share of tax revenue at a time taxes contribute their fair share. Brazil's Bolsa Familia—can support when they are tackling a growing list of spending demands, from investments in infrastructure to the cost of adapting to climate change. A gradual and people-focused fiscal effort can alleviate fiscal risks while limiting any negative impact on growth and inequality, including by raising revenue, improving governance, and protecting social

There is much scope for developing countries to raise more revenue through tax reforms—as much as 9 percent of GDP, according to our research.

Yet it is crucial to take a progressive those who can afford to pay more cash-transfer programs—such as

Taxing capital income and property, for example, offer a relatively progressive way to raise more tax revenue.

Regardless of the strategy, people need to have confidence that the taxes they pay will be used to deliver public services—not enrich those in power. Governance improvements, such as to increase transparency and reduce corruption, must also be part of the equation.

At the same time, social-spending programs can make a big difference to inequality, including through school meals, unemployment insurance, and pensions. These approach, which means making sure should be protected. Well-targeted

the vulnerable.

Our research shows that strong redistributive policies in a growing G20 economy—such as socialspending programs and public investment in education—can reduce inequality between 1.5 and 5 times more than weaker policies

STRENGTHENING THE GLOBAL **BACKSTOP**

Finally, we need a strong global financial safety net for countries that need support. With that goal in mind, the IMF is working on a package of reforms to our lending framework

To continue to serve the needs of our most vulnerable members, we are reviewing our concessional lending instrument for low-income countries, the Poverty Reduction and Growth Trust. With demand expected to exceed pre-pandemic levels, it is vital that our membership comes together to ensure the PRGT is adequately resourced and its long-term finances are put on a sustainable footing.

We are also taking a close look at our surcharge policy for the first time in nearly a decade. The review aims to ensure we can continue to provide financing at affordable rates to members who need our support.

Last year our members gave us a strong vote of confidence by agreeing to increase our permanent quota resources, allowing us to maintain our lending capacity. I am counting on G20 members to now ratify the increase.

One of the lessons of recent history has been that we must not ignore those left behind by economic and technological progress—be they individuals within a country, or entire nations struggling to close the gap. But with the right policies, and by working together, we can build a prosperous and equitable world for all.

The writer is the managing director



of the International Monetary Fund.

that open trade has played as an Sluggish economic activities globally could deal a major blow to the fight against poverty and inequality, says an expert.