

ShareTrip wins 'Leading Online Travel Agency' award

STAR BUSINESS DESK

ShareTrip, a travel and lifestyle platform in Bangladesh, was honoured "Leading Online Travel Agency" for the company's commitment to innovation and excellence in the travel industry at the Travel, Tourism, and Hospitality Awards 2024.

Jointly organised by Prime Bank and The Bangladesh Monitor, the award winners were selected from 184 entries by a jury of professionals and leaders from various sectors, along with over 108,000 online public votes cast across different categories, according to a press release.

Mofassal Aziz, head of brand communication, media and public relations division at ShareTrip, received the award at the function held at the InterContinental Dhaka in the capital recently.

Sadia Haque, co-founder and CEO of ShareTrip, expressed her gratitude, stating: "This award speaks volumes about the love and trust our customers place in us. It drives us to continue innovating and creating better travel experiences for all."

With this recognition, ShareTrip reinforces its position as a trailblazer in the travel tech space, offering cutting-edge solutions that redefine travel for its rapidly expanding community.

Oil prices extend gains

REUTERS, London

Oil prices extended gains on Monday, with Brent nearing \$80 to build on last week's steepest weekly jump since early 2023, driven by fears of a wider Middle East conflict and potential disruption to exports from the major oil-producing region.

Brent crude futures rose \$1.11, or 1.4 percent, to \$79.16 a barrel by 0839 GMT. US West Texas Intermediate crude futures jumped \$1.28, or 1.7 percent, to \$75.66.



The straw left over from the harvest of paddy is a major component of the cattle diet maintained by smallholder farmers. Though low in energy and protein and very deficient in minerals, straw is a good roughage feed. Each bundle can sell for Tk 25 to Tk 30. The photo was taken on the Khulna city bypass road recently.

PHOTO: HABIBUR RAHMAN

MATARBARI DEEP-SEA PORT

Interim govt to continue the Japan funded project

STAR BUSINESS REPORT

The interim government will undertake a lone mega project during its tenure, namely the Matarbari deep-sea port, according to Planning and Education Adviser Prof Wahiduddin Mahmud.

"This will be the sole mega project during the interim government's tenure. It may be completed by 2030," he said yesterday at a press briefing in the capital's Agargaon.

In this regard, the Executive Committee of the National Economic Council (Enec) approved the "Matarbari Port Development Project", which was revised for the second time.

"This deep-sea port has geopolitical significance. Many countries, including China and India, want to build this port," the adviser said.

However, the government has selected Japan as the development partner considering it charges lower interest and offers a longer repayment period, he said.

He added that once the deep-sea port comes into operation, trade and commerce in the country will be boosted while the importance of this route will increase.

"Existing ports will not meet the demands of the future," he said.

After revising the project, the overall cost now stands at Tk 24,381 crore with an additional cost of Tk 6,574 crore. The project was taken in 2020 and was supposed to be

completed by 2026.

However, the deadline was later extended to December 2029.

Prof Mahmud said a new road would be built under this project, which will raise the overall cost.

He also opined that the level of corruption and waste of resources had now reduced to some extent.

"But the magnitude of extortion has probably not decreased so much," he said.

Besides, Prof Mahmud said the pace of investment in the country is slow. Although the private sector is the engine of the economy, many private sector entrepreneurs and bank owners are missing.

"After such a big political change, such a slowdown in investment is normal," he said.

Given this context, Prof Mahmud also said increasing public expenditure to some extent is necessary to spur job creation and ensure smooth functioning of the economy.

Prof Mahmud also said there was undue political influence on the growth and inflation figures that were presented in the past.

He added that the Bangladesh Bureau of Statistics (BBS) lacks capacity.

"I'm not reprimanding them for that. The situation is the same in all developing countries."

The adviser further said the government will prepare a report on the vehicles owned by the government throughout the country.

Matarbari deep-sea port has geopolitical significance. Many countries, including China and India, want to build this port

Wahiduddin Mahmud
Planning adviser

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Tourism experts present roadmap for recovery

STAR BUSINESS DESK

Experts and businesspeople of the tourism industry in Bangladesh have prepared a roadmap for the sector's recovery and urged the government for a comprehensive crisis management plan to this end.

They put forward their plan during a seminar, styled "Roadmap for Tourism Recovery: Present Bangladesh Context", at the Sheraton Dhaka in the capital's Banani on Sunday.

The event was organised by The Bangladesh Monitor, a publication on travel and trade services in the country, according to a press release.

At the seminar, industry experts suggested a number of measures, including launching e-visa systems, ensuring travellers safety, undertaking public relations efforts, attending international fairs, appointing tourism officials at foreign missions, and so on.

Addressing the seminar, Peter A Semone, chairman of the Pacific Asia Travel Association (PATA), assured they would provide full cooperation if the Bangladesh government seeks their support in this regard.

He further stressed the necessity of establishing visa free entry for the country's top tourist generating source markets.

Syed Ghulam Qadir, general secretary of the World Tourism Network Bangladesh Chapter, presented the keynote paper.

He said building the country's image as an ideal destination to visit is key for increasing the number of tourist arrivals.

Qadir noted that the hotel occupancy rate in Bangladesh stands at just 30.35 percent, with many international bookings remaining cancelled.

Kazi Wahidul Alam, editor of The Bangladesh Monitor, moderated the session.

Among others, Md Rafeuzzaman, president of the Tour Operators Association of Bangladesh, Masud Hossain, managing director of Bengal Tours, Taufiq Rahman, chief executive officer of Journey Plus, and Md Shakawath Hossain, CEO of Unique Hotel and Resorts, also spoke.

STOCKS	
DSEX ▼	CASPI ▼
0.81%	1.01%
5,335.05	15,012.75

COMMODITIES	
Gold ▲	Oil ▲
\$2,658.26	\$75.92
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.78%	▲ 1.80%	▲ 0.28%	Closed
81,050.00	39,332.74	3,599.19	

S Alam

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He said the bank holds Tk 250 crore in fixed deposits of the group, which has already been frozen.

Due to credit overexposure over the past few years, the bank is now facing a liquidity crisis, he said.

"We have signed agreements with four banks for around Tk 900 crore in liquidity support. Social Islami Bank has already received Tk 450 crore as deposits and liquidity support," said Sadiqul Islam.

The bank is now honouring a small number of cheques, which will eventually help restore client confidence, said the new chairman, adding that the new board has recovered Tk 794 crore from borrowers.

The bank has also increased its focus on dealing with cases against defaulters, he said.

"We have tracked most of the borrowers who took loans in recent years. We are in touch with them. The bank will surely protect the money of the depositors," he said.

The new chairman said Social Islami Bank would be able to conduct all normal banking activities, such as opening letters of credit (LCs) and offer some other banking services, as the central bank was gradually withdrawing restrictions.

Mentioning the bank's liquidity crisis, he said as per rules, their banking business was supposed to close because of a shortfall in cash reserve ratio (CRR) and statutory liquidity ratio (SLR) with the central bank, but that did not happen.

"The central bank allowed us to run our business despite a negative current account balance, that is why we are in a severe liquidity crisis," he said.

The bank faced its first CRR shortfall in November 2022.

From January to June this year, Social Islami Bank collected more than \$400 million as remittance at high exchange rates and then it was provided to some state-run banks at a low rate as per the verbal instruction of the central bank.

This led to the Shariah-based lender incurring a loss of Tk 130 crore, according to officials at the meeting. They said the issue is now under the inspection of the central bank.

NBR detects Tk 1,400cr

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unpaid VAT and Chemon Ispat Ltd Tk 147 crore.

"We have issued demand notices to the companies," said Syed Mushfequr Rahman, commissioner at Customs, Excise & VAT Commissionerate, Chattogram.

He said the VAT Commissionerate is also in the process of realising the unpaid VAT of Tk 3,538 crore and fines from S Alam Vegetable Oil Ltd and S Alam Super Edible Oil Ltd.

Rahman said his office has issued notices to the two companies for payment of unpaid VAT in 21 working days.

"If they do not clear (the payment), we will go for freezing the bank accounts of the companies and

locking business identification numbers to realise the VAT," he said.

S Alam Group came under greater scrutiny from the regulatory agencies, including tax compliance, after the fall of the Awami League government in early August this year.

Mohammed Saiful Alam, chairman and managing director of S Alam Group, is widely believed to be a beneficiary of the previous government.

The Bangladesh Financial Intelligence Unit has sought account details of S Alam and his family members, while the Bangladesh Bank restructured the boards of banks, which were dominated by S Alam and his family members during the tenure of the previous government.

Taskforce formed for stock

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The last member is Al-Amin, an associate professor of the accounting and information systems of the University of Dhaka, according to a circular published on the BSEC website.

Created based on opinions of stakeholders, the taskforce will itself create several focus groups which would work on several issues, avail opinions and provide recommendations for the report's preparation within a "logical timeframe".

The issues include identifying the

reasons behind the country's low tax to GDP ratio, which is 7 percent at present, alongside solutions for it and ways to improve the BSEC's efficiency.

The groups will also find ways to ensure good governance in the stock market, upgrade market intermediaries to international standards, ensure accountability and transparency of listed companies and modernise several rules.

They will also recommend ways to increase the diversity of products in the market and attract local and foreign investors.

Bangladesh economy

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remittances were anticipated to grow, driven by improved employment conditions in key overseas markets.

"This rise in remittances will not only support household consumption but play a significant role in sustaining the broader economic recovery," he said.

However, challenges remain, particularly with inflation, said Neumann, adding, "This will continue to affect both household spending

Manipulators behind protests

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Since the fall of the Sheikh Hasina government on August 5, the DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), has fallen by 283 points, or 5 percent, to 5,335 points till yesterday.

There is an official process to submit demands and the regulator should have been given proper time to scrutinise those, the letter said.

However, they placed their demands in the media and urged for the resignation of the BSEC chairman. After that, they came to the BSEC office and locked its gate.

It indicates that some people are being used in order to stop the BSEC's reform activities, it said.

To maintain transparency and accountability, the regulator must take punitive steps which may not satisfy everyone, the letter read. "Clearly, the activities of the undisciplined people are ill-motivated."

"The BSEC found in its investigation and analysis that the AGM Party and some people involved in a lot of corruption are against

punitive actions and reforms, so they are fuelling the protests."

They fear that their manipulation will be stopped if all reform activities are carried out, it said.

In order to gauge the present situation of the stock market, the BSEC said the new commission met with several stakeholders to unearth problems and ways out.

It has already formed several investigation committees to reveal corruption and manipulation in the past 15 years.

The last commission hardly took legal steps against manipulators, but the present one has taken proper legal action against delinquents.

Last week, the BSEC imposed a record fine of Tk 428.52 crore on 9 individuals and firms for manipulating the stocks of Beximco Ltd.

Three audit firms were removed from the BSEC's audit panel as they failed to enlist in the Financial Reporting Council (FRC).

It also cancelled the bond issuance of several banks as they failed to fulfil all the conditions and cancelled the

share issuance of several companies for non-compliance, the BSEC said.

The regulator is going to take steps against companies that failed to provide announced dividends timely.

At the same time, it has taken steps against brokerage house owners who misused investor funds.

The BSEC fined 25 individuals and firms for their involvement in corruption and froze around 60 beneficiary owners' accounts of potential manipulators.

It is investigating the manipulation of 24 companies' stocks and the misuse of several mutual funds.

Ataullah Naim, president of the Bangladesh Capital Market Investors United Association, told The Daily Star they have not staged any protests on the road.

"We have only placed our demands in a press briefing. We do not know who is protesting in front of the BSEC or whose purpose they are serving."

The commission said in the letter that the protesting investors came in front of the BSEC under the banner of 'Puji Bazaar Biniog Kari Oikko Porishod'.

Uncertainty shrouds business recovery

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Regarding foreign investment, Sarker said foreign investors choose their investment destinations based on whether the country has a well-functioning capital market.

Supporting the government's stance, the BAB chairman said only corrupt businessmen are currently being arrested.

Mohammed Amirul Haque, managing director and CEO of Premier Cement Mills Limited, believes that the business and investment climate will not recover until the financial sector is corrected.

He said, "Many businesses are becoming bankrupt as they cannot pay bank instalments timely because of low business turnover centring the political changeover."

"Besides, banks are charging a 2 percent penalty for late loan repayments, further worsening the financial conditions of the

businesses," he added.

"Business and investor confidence has not settled down yet," said M A Jabbar, managing director of conglomerate DBL Group.

He held poor law and order and overall uncertainty responsible for the low confidence of businesses and investors.

Requesting anonymity, a spinning mill owner, meanwhile, complained about inconsistent gas supplies and the sharp depreciation of the local currency Taka. Due to gas shortages, he said his factory is currently running at 40 percent of its total capacity.

The spinner said the government should take new initiatives to attract new investment and protect existing investments.

Khandoker Rafiqul Islam, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said new investment and expansion plans are

currently completely stalled.

"At this moment, business confidence is low," Islam acknowledged. "If stability is restored, investment and business expansion will occur."

Masrur Reaz, an economist who works on business confidence and the investment climate, said the country's decision-making and policy lack stability.

Arrests of businessmen should be very targeted if anyone is found corrupt and arresting businessmen indiscriminately sends a negative message to the business and investment climate, he told The Daily Star over the phone.

"Indiscriminate arrests of businesspeople will unnecessarily hurt business confidence," Reaz said.

"Those who have committed crimes should be brought to book, but there should not be unnecessary harassment of businesspeople just for their political involvement," he added.