



Present accurate data before making policies

Economists and entrepreneurs say

STAR BUSINESS REPORT

The interim government must first correct data, as the previous government not only mismanaged but also manipulated various types of data, making it difficult to form effective policies based on the existing information, economists and entrepreneurs said yesterday

They made the comments at an event titled "Dialogue for democratic reconstruction" organised by the Centre for Governance Studies (CGS) in the capital.

Almost all data in Bangladesh is inaccurate due to malpractice, said Md Sabur Khan, chairman of Daffodil International University. "You are making your policy depending on wrong data,

then how will the policy give you a good result?" For instance, the country's population is assumed to be

18 crore, but in reality, it is likely much higher, he said. If the population size is inaccurate, then data related to food demand and per capita income do not reflect the

actual figures, he added. So, the first priority should be correcting the data and finding a way to build a sustainable and correct data set,

M Abu Eusuf, former chairman of the Department of Development Studies at the University of Dhaka, also emphasised the need for reliable data.

Debapriya Bhattacharya, a distinguished fellow of the Centre for Policy Dialogue, said the data correction has already been set as the first priority in the white paper, which is going to be prepared to assess the extent of corruption in the country and identify the reasons behind it.

People have seen how the previous government toyed with the data of per capita income, inflation, and export income and how the data impacted the economy, he said.

Debapriya Bhattacharya, a distinguished fellow of the Centre for Policy Dialogue, said the data correction has already been set as the first priority in the white paper

People will have to realise that the interim government was formed just three months back and it found a country almost disabled by the previous government, he said at the event as the guest of honour.

Still, the country's bureaucracy is not functioning well and its law enforcement department is not working properly, he said.

So, it is difficult to fulfil the dreams of all people overnight, he said, adding that people should understand the situation properly.

Bhattacharya said he realises how tough the situation is for the interim government and that is why he would talk in favour of the government although he is not a part of it.

The government will have to reform things piled up and should have been done by the previous government,

It also has to reform policies so that the country can prepare itself for the next level of development, he said.

To do that, the government is bringing institutional reforms along with reforming the election system, he said.

Abdul Awal Mintoo, a veteran businessman and vicechairman of the Bangladesh Nationalist Party (BNP), also stressed the need for correcting all types of data, saying: "All data are wrong and full of lies now."

Regarding the business environment, Mintoo said that conducive social capital and savings are necessary to boost investment. **READ MORE ON B3**

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Bida's one-stop service plagued by non-stop negligence

JAGARAN CHAKMA

Services rendered by government agencies through a single-window platform to facilitate business remain marred by unscrupulous activities, despite expectations of improvement among entrepreneurs under the interim government.

Although the country has been trying to find new ways to draw investment and boost economic growth over the past decade, the scenario of habitual negligence at government offices has remained virtually unchanged.

Such attitudes have hamstrung the onestop service (OSS) portal of the Bangladesh Investment Development Authority (Bida), which was launched in February 2019 to help investors implement business projects quicker by centralising delivery of necessary regulatory, compliance and value-added

Currently, Bida provides 112 investment services through the OSS from 29 departments, including the Department of Environment (DoE), the Department of Inspection for Factories and Establishments (DIFE), and the Office of the Registrar of Joint Stock Companies and Firms (RJSC).

However, entrepreneurs claim they are unable to avail services from those bodies online, adding that they must physically visit the offices, where they are subject to the whims of officials.

These allegations came up when The Daily Star recently spoke to over 20 businesspeople who applied to avail services from the OSS.

"Before the start of each fiscal year, we apply to renew all licences and other certificates from the DoE, DIFE, and RJSC through Bida's OSS portal. But our staff practically have to rush to the concerned offices to avail services," remarked Eleash Mridha, managing director at Pran Group. Mridha added that officials insist on

queries and factory visits despite the scope to provide services online.

He opined that the system was haphazard, bribes each year just to renew a trade licence,



Entrepreneurs can't avail all govt services through the one-stop service of Bida

adding that businesses had to waste a lot

of time each year. Most opt to appoint a

dedicated team to deal with such activities to

director of Premier Cement Mills PLC, alleged

that processes related to licence renewal or

clearance cannot be obtained from the RJSC,

DoE or DIFE unless some "speed money" is paid.

Haque, also chairman of Seacom Group,

He added that he must spend Tk 25 lakh in

which has 25 companies under its umbrella,

said he employs at least 50 employees to deal

avoid hassle, he added.

necessary documents each year.

with government agencies.

Businesses need to visit different govt offices to get the services

Entrepreneurs often need to spend speed money to move files

Businesspeople face hassles to renew licences or get clearance certificates

NUMBER OF SERVICES

Currently, Bida provides 112 investment services of 29

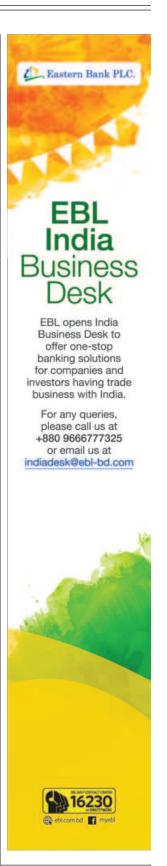
It aims to integrate as many as 150 services from 35 agencies

departments alleging that files do not move from one desk to another at government offices unless

undue benefits are provided. A top official of Chattogram-based The Pran Group has 30 companies under conglomerate PHP Family echoed the same, its umbrella, which are all required to renew adding that they hired consulting firms to deal with business-centric government Mohammed Amirul Haque, managing services to avoid hassle.

> According to him, there is no alternative to providing such bribes when it comes to running a business in Bangladesh.

> "It is an open secret," the official lamented. Riad Mahmud, managing director and chief executive officer at National Polymer Group, said government services are almost never provided online, although applications may be submitted virtually in some cases.



Onion price rises on supply crunch

SUKANTA HALDER and AHMED HUMAYUN

Onion prices at retail markets in Dhaka rose by Tk 10 to Tk 15 per kilogramme (kg) over the past week, deepening the woes of low and fixed-income people.

Wholesale retail traders across the capital said a supply crunch is causing the volatility in onion prices.

Nurul Shikdar, a retailer in the Pallabi extension area of Mirpur, said onion prices gradual increments over the past week, with local varieties going for Tk 140 to Tk 145 per kg yesterday.

The sudden hike in prices of the popular cooking ingredient after comes months of persistently high food inflation, which has hovered above 10 percent price

since April this year. Data from the Trading Corporation of Bangladesh (TCB) showed that local varieties of onions were selling for Tk 115 to Tk 135 per kg yesterday compared to Tk 110 to Tk 120 a week ago.

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New policy for goods transport by lighters draws opposition

DWAIPAYAN BARUA, Ctg

A recently formulated policy for transporting imported cargoes from Chattogram to different parts of the country has failed to be enforced thanks to strong opposition from importers and vessel owners, as they accused the system of posing threats to monopolise control over vessel serials and fares.

Framed on October 15, the policy has mandated the private platform Bangladesh Water Transport Coordination Cell (BWTCC) to control the maintenance of serials and allocation, and the determination of freight rates of the vessels.

Businessmen allege that allowing a single cell to do so is an attempt to reinstate the recently ended monopoly and syndication in imported

bulk cargo transport through inland water routes. They claim the policy contradicts the Competition Act and the spirit of a free market

In the face of opposition from Chattogram-based lighter vessel owners, the Water **Transport Coordination Cell** failed to start its scheduled operation on Thursday

In the face of opposition from Chattogram based lighter vessel owners, the Water Transport Coordination Cell failed to start its scheduled operation on Thursday.

More than 10 crore tonnes of annually imported bulk cargo, including commodities,

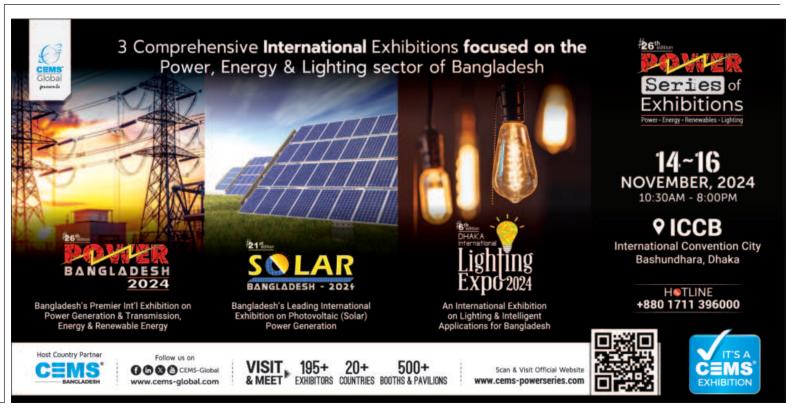
fertilisers and industrial raw materials, are unloaded from mother vessels at the outer anchorage of Chattogram port onto lighter vessels and transported through 40 different inland water routes.

Over 1,800 lighter vessels are engaged in this

According to the new policy, a 10-member supervisory committee led by the Director General (DG) of the Department of Shipping would monitor the activities of the cell.

Without allocation and permission from the coordination cell, no lighter vessel, except for those owned by business groups, would be allowed to transport cargo from mother vessels, the policy mandates.

It mentioned some conditions for factories and companies in using vessels. READ MORE ON B3





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BRAC Bank launches initiative for future female leaders

STAR BUSINESS DESK

BRAC Bank recently launched a new initiative under the "Women Leadership Development Program" with a view to developing personal and professional growth opportunities for female coworkers.

In light of this, the bank also set a target to be a top runner in women's empowerment and female leadership so that women can find the safety and confidence to equally lead the industry.

Selim RF Hussain, managing director and CEO of the bank, inaugurated the initiative at a function at the bank's head office in the capital, according to a press release.

To prepare female co-workers to take on new challenges and higher responsibilities, the bank formed a cross-functional project team to develop a comprehensive women's leadership development framework with a detailed curriculum, called "Enlightened Leaders Exemplify Achievement" (ELEA).

This diverse team, led by Farhana Sharmin Sumi, senior HR business partner, brought together experts from various functions, each contributing unique insights and skills.



Selim RF Hussain, managing director and CEO of BRAC Bank, poses for photographs with women co-workers of the bank while inaugurating a new initiative to develop women's personal and professional growth opportunities at the bank's head office in the capital's Gulshan recently.

Their collaborative effort has resulted in a comprehensive programme designed to empower women co-workers, providing them with the tools and opportunities needed to advance into leadership roles within the bank.

In collaboration with the human

resources (HR) division, the bank's internal women's forum, "TARA", has chalked this initiative to help them stick to bigger career aspirations against the reality of home and office responsibilities, which create roadblocks to elevating their career paths.

Some 25 aspiring females will be part

of this ELEA initiative under which they will get a one-year intensive training based on a 70:20:10 learning model with cross-functional attachments, project work, the tutelage of coaches and mentors, classroom training sessions and

City Bank agent banking points can now collect MetLife premium



Ala Uddin, deputy managing director and chief financial officer of MetLife Bangladesh, and Nurullah Chaudhury, deputy managing director and head of corporate banking of City Bank, shake hands and exchange signed documents of an agreement at the latter's head office in the capital recently.

STAR BUSINESS DESK

 $MetLife\,Bangladesh\,recently\,signed\,an\,agent\,banking\,premium\,collection$

Ala Uddin, deputy managing director and chief financial officer of the life insurer, and Nurullah Chaudhury, deputy managing director and head of corporate banking of the bank, penned the deal at the latter's head office in the capital, MetLife said in a press release.

Through this partnership, MetLife policyholders can now conveniently pay their premiums at City Bank's 495 nationwide agent banking points, increasing access and convenience for customers.

This new initiative strengthens MetLife's existing premium payment channels, which already include online payments, bank counters, mobile financial services and MetLife customer service centres.

Kamrul Anam, deputy managing director and chief operations officer of the life insurer, Sharif Mehedi Hassan, director, and Nahid Mousumi, assistant director, were present. With this partnership, MetLife aims to make premium payments easier and more accessible for its growing customer base, particularly those in rural and remote areas.

EU, China agree to more talks on alternatives to EV tariffs

REUTERS, Brussels

The European Union and China have agreed to hold further technical negotiations soon on possible alternatives to tariffs on China-built electric vehicles, the European Commission and China's commerce ministry said on Friday.

The EU is set to impose additional tariffs of up to 35.3 percent next week on electric vehicles built in China, at the conclusion of its anti-subsidy investigation, but has said talks can continue after

The two sides are looking at possible minimum price commitments from Chinese producers or investments in Europe as an alternative to tariffs.

"The principals agreed that further technical negotiations would take place shortly", the Commission said after a video call between EU trade chief Valdis Dombrovskis and Chinese Minister of Commerce Wang Wentao.

The European Commission, which oversees trade policy for the 27-nation European Union, has already held eight rounds of technical negotiations with Chinese counterparts and said there were "significant remaining gaps".

A statement from China's commerce ministry said Beijing "welcomed the EU team to come to China as soon as possible" and that both sides had clarified that price commitments would continue

to be the solution to the dispute. Dombrovskis and Wang affirmed their commitment to finding a mutually agreeable solution, which would need to ensure a level playing field in the EU market and be compatible with World Trade Organization rules, the Commission said.

Wang said a bilateral communication mechanism for implementing and regulating price commitments should be established during the next phase of talks, his ministry said.

China urged the EU two weeks ago not to conduct separate negotiations with companies, warning this would "shake the foundations" of negotiations.

The Commission said Dombrovskis had emphasised that the EU executive's negotiations with the China Chamber of Commerce for Import and Export of Machinery and Electronic Products (CCCME) do not exclude discussions with individual exporters.

Dombrovskis also raised concerns about China's investigations into EU brandy, pork and dairy, saying the EU found them "unsubstantiated".

China said it would continue to conduct its investigations and that they complied with Chinese and World Trade Organization rules.

BBDN, BRAC Bank sign deal to empower persons with disabilities

STAR BUSINESS DESK

create inclusive to opportunities for persons with disabilities through "Aporajeyo Ami", the bank's flagship corporate social responsibility (CSR) initiative dedicated to health.

Under the partnership deal, BBDN will work with the bank to train persons with disabilities to enhance their employability and open up entrepreneurial opportunities, the bank said in a press release.

This will thereby provide support to unlock their full potential and equip them to make a greater contribution to society.

they understand and embrace the principles of disability inclusion.

Murteza Rafi Khan, chief executive officer of BBDN, and Sabbir Hossain, deputy managing director and chief sustainability officer of the bank, penned the deal in the capital.

"This partnership with BRAC Bank is a significant milestone in our ongoing mission to build a more inclusive Bangladesh. Together, we will amplify the voices of persons with disabilities, creating pathways for them to thrive personally and professionally," Rafi Khan said.

"Our partnership with BBDN

see BBDN conduct accessibility it is a call to ensure persons with assessments of the bank premises disabilities are seen, heard and given BRAC Bank recently signed an and organise sensitisation workshops the opportunity they deserve to agreement with the Bangladesh for the lender co-workers to ensure help contribute more to national economic growth," Sabbir Hossain

> This partnership is a cornerstone of BRAC Bank's "Aporajeyo Ami" initiative, which reflects the bank's commitment to building a more inclusive society through meaningful dialogues disability.

> As a values-driven organisation, the bank's CSR ambition is to break financial barriers and social taboos to ensure access and create opportunities for people to realise their potential and lead meaningful lives, added the press release.

Other senior officials from both collaboration will also is more than just a commitment; the organisations were also present.



Murteza Rafi Khan, chief executive officer of Bangladesh Business and Disability Network, and Sabbir Hossain, deputy managing director and chief sustainability officer of BRAC Bank, pose for photographs after signing an agreement in the capital recently.

Nvidia overtakes Apple as world's most valuable company

Nvidia's shares hit a record high on Tuesday, building on a rally from last week when TSMC, the world's largest contract chipmaker, posted a forecast-beating 54 percent jump in quarterly profit driven by soaring demand for chips used in AI.

Meanwhile, Apple is struggling with tepid demand for its smartphones. iPhone sales in China slipped 0.3 percent in the third quarter, while sales of phones made by rival Huawei surged 42 percent.

With Apple set to report its quarterly results on Thursday, analysts on average see its revenue climbing 5.55 percent year over vear to \$94.5 billion, LSEG data showed.

That compares with analysts' projections for Nvidia of nearly 82 percent revenue growth to \$32.9 billion.

Shares of Nvidia, Apple and Microsoft have an outsized influence on the richly valued technology sector as well as the broader US stock market, with the trio accounting for about a fifth of the S&P 500 index's weight.

bring down US interest rates, and most recently, an upbeat start to the earnings season, helped lift the benchmark S&P 500 to an all-time high last week.

Nvidia's massive gains have helped boost the stock's appeal for option traders and the company's options are among the most traded

Federal Reserve will considerably on any given day in recent months, according to data from options analytics provider Trade Alert.

The stock has surged nearly 190 percent so far this year as the boom in generative AI led to a series of blowout forecasts from Nvidia.

"The question is whether the revenue stream will last for a long time and will be driven by the

by any ability to prove or disprove the thesis that AI is overdone," said Rick Meckler, partner at Cherry Lane Investments, a family investment office in New Vernon, New Jersey.

"I think Nvidia knows that near term, their numbers are likely to be quite remarkable.'



Optimism about the prospects Nvidia founder, President and CEO Jensen Huang speaks about the future of artificial intelligence and its effect for AI, expectations that the on energy consumption and production at the Bipartisan Policy Center in Washington, DC.

Onion price rises

Meanwhile, imported onions were fetching Tk 80 to Tk 110 per kg yesterday, down by 5 percent from Tk 90 to Tk 105 a week prior, according to TCB data.

In the past year, prices of local onions have increased by 25 percent and imported onions by 18.75 percent, TCB data shows.

Mohammad Abdul Mazed, general secretary of the Shyambazar Onion Wholesalers Association, a major onionselling hub, said there is a shortage of local onions at the retail level.

'We are getting only 20 percent of the demand. This is why prices have increased so much. Prices will come down after the next three months when new onions come to the market," he said.

He also said that, for some reason, the demand for imported onions has decreased, leading to reduced prices for foreign varieties over the past week.

The agriculture ministry claims the country produced 34 lakh tonnes of onions this year. Although that figure is enough to meet domestic demand, the ministry says that another 6 to 7 lakh tonnes will have to be imported as much of the local yield is wasted due to a lack of cold storage facilities.

However, traders Shyambazar, a major onion-selling hub, said local output was about 20 percent below the agriculture ministry's estimate due to crop loss amid adverse weather in

Mohammad Hafiz Uddin, a wholesaler in Shyambazar, said local onions were sold

at Tk 120 to 125 per kg yesterday, up from Tk 103 to 105 just a week ago.

Hafiz claimed the quality of Indian onions also suffered due to floods, thereby decreasing the domestic demand for onions imported from the neighbouring nation.

In Pabna, the biggest onion-producing district in Bangladesh, prices of the bulb soared to as much as Tk 5,600 per maund (roughly 37 kgs) on Saturday, up by about Tk 1,200 over the past week. Md Jamal Uddin, deputy director of the

Department of Agricultural Extension in Pabna, said the current stock of onions can meet the demand of wholesalers for more than one month.

"We hope new onions will be available within the next couple of months," he said. Noor Alam Chowdhury, senior scientific officer of the Spice Research Centre at Bogra, told The Daily Star that now many growers are now planting early winter

varieties of onions, which will be sold in

the market in December-January. So, many farmers use old onions and produce seeds from them at this time. Those who do commercial production on a large scale also buy old onions from farmers. Due to this, the demand for old onions increases during October. It happens every year, he said.

During this period, the retail price of onions normally increases by Tk 10 to Tk 15 per kg, Chowdhury said.

Traditional onions are cultivated from mid-December and arrive in markets by March or April the following year, he said.

Mobile subscriber numbers fell drastically in August

Mobile operators collectively lost 18 lakh customers

MAHMUDUL HASAN

Following the trend of July, the number of mobile subscribers in Bangladesh dropped significantly in August.

The mobile network operators Grameenphone, Robi, Banglalink and Teletalk -- collectively lost about 18 lakh customers, taking the total mobile subscriber base to 19.24 crore.

In July, the operators lost a similar number of subscribers.

The overall number of mobile subscribers is calculated based on the purchase of new SIMs (subscriber identity modules) minus the number of SIMs whose ownership have become invalid for

Shahed Alam, Robi's chief corporate and regulatory officer, attributed the drop to a recent SIM tax increase from Tk 200 to Tk 300. With higher SIM prices, people are less inclined to acquire additional subscriptions, he said.

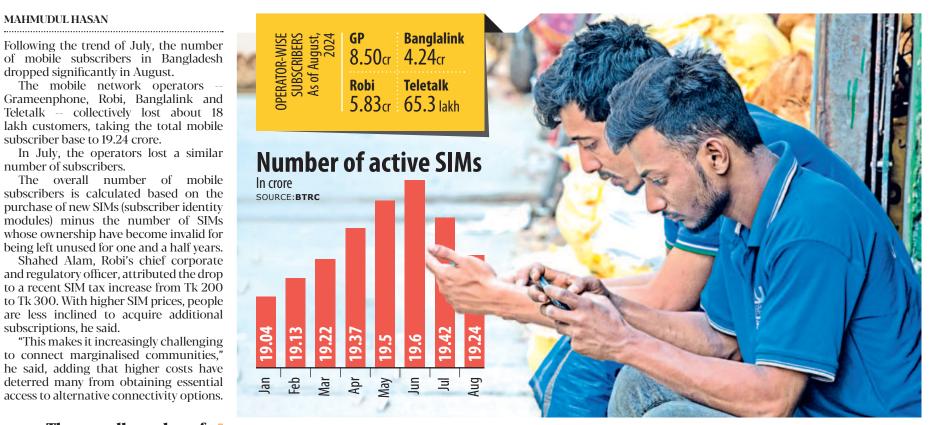
"This makes it increasingly challenging to connect marginalised communities," he said, adding that higher costs have deterred many from obtaining essential access to alternative connectivity options.

The overall number of mobile subscribers is calculated based on the purchase of new SIMs minus the number of SIMs whose ownerships have become invalid for being left unused for one and a half years

Banglalink alone lost about 9 lakh customers in August, bringing its customer base to 4.24 crore. The operator lost a similar number of customers in

In other words, this caused the operator's subscribers base to decrease by

0.59 percent year-on-year in August. The country's second-largest operator, Robi, lost 6 lakh customers, taking its



subscriber number to 5.83 crore. Robi lost a similar number of customers in July.

However, year-on-year, the carrier saw 1.80 percent growth in customers.

The number of subscribers of Grameenphone, the leading operator, dropped to 8.50 crore from the loss of 1.6 lakh customers.

basis, year-on-year Grameenphone's customer base grew by 3.58 percent, the highest among the

State-owned Teletalk lost about 20,000 customers, taking its total to 65.3

Although the number of mobile subscribers in Bangladesh exceeds the population, the actual number of unique users is significantly low.

This discrepancy arises because the mobile phone ownership among these

to own up to 15 SIM cards, leading to a higher subscriber count than the true number of users

According to Bangladesh Sample Vital Statistics, a project run by the state-run Bangladesh Bureau of Statistics, the percentage of individuals aged over 15 who own a mobile phone was lower in 2023 than in 2020.

This was attributed to a persistent decline in ownership since the emergence of the Covid-19 pandemic due to grim economic conditions.

In 2023, only 74.2 percent of individuals aged 15 and older owned a mobile phone, marking a slight decline from the 75.4 percent ownership rate reported in 2020.

At the peak of the pandemic in 2021,

current regulations allow each individual individuals fell by 4.1 percentage points to 71.3 percent.

It then rebounded by 2.5 percentage points in 2022. However, last year saw a modest increase of only 0.4 percentage points as the country struggled with ongoing high inflation.

A significant finding of the Bangladesh Sample Vital Statistics is the gender gap in mobile phone usage.

While 86 percent of males reported owning a mobile phone, only 62.8 percent of females did, revealing a disparity of 23.2 percentage points.

This gap highlights a serious inequality in access to mobile technology between genders, signalling the need for targeted efforts to address the underlying causes and promote equal access to mobile devices across all groups.

IMF sees weak yen beneficial for Japan's economy

REUTERS, Washington

A weak yen is beneficial for Japan's economy as the boost to exports exceeds the increase in the cost of imports, a senior International Monetary Fund (IMF) official said on Friday.

Nada Choueiri, the IMF's Japan mission chief, also urged Japan to raise interest rates at a gradual pace and compile supplementary budgets only when a big shock hits the economy.

"We would advise the Bank of Japan to remain cautious, as they have been so far, and to be gradual" in the pace of rate hikes, since there was high uncertainty over the inflation outlook, she said in an interview.

The yen has resumed its declines recently against the dollar on expectations that the US-Japan interest rate divergence will remain wide, posing a headache for authorities who fret of the hit to households from rising import costs from a weak ven.

But Choueiri said the benefit from rising exports from a weak yen exceeded the rising costs in imports for Japan, which is "a very outward-oriented" economy. "So, the yen depreciation on net benefits growth in Japan," she said.

The yen's falls triggered warnings from Japanese Finance Minister Katsunobu Kato, who said on Wednesday the yen's recent "one-sided, rapid" moves warranted "heightened vigilance."

"It's important to recognize that the Japanese authorities are committed to a flexible exchange rate regime," she said, when asked whether rapid yen moves would justify Tokyo intervening in the currency market.

After exiting from a decade-long, radical stimulus in March, the Bank of Japan raised short-term interest rates to 0.25 percent in July and signaled its resolve keep hiking if the economy makes progress toward durably hitting its 2 percent inflation target.

The IMF expects Japan's inflation to sustainably hit 2 percent with price growth increasingly driven by domestic demand, Choueiri said, meeting the prerequisite for more rate hikes.

But the Bank of Japan must tread cautiously in raising rates given various risks, such as the potential hit to exports from trade fragmentation, the chance of consumption and wage growth weakening, and the fallout from yen moves on inflation.

"The first priority is to remain data-dependent and analyze all the data that comes, and to be very, very gradual in the process of raising the policy

The Bank of Japan is widely expected at a twoday policy meeting next week to keep its shortterm policy rate steady at 0.25 percent. Most economists polled by Reuters expect it to hike rates again by March next year.

Dollar advances

REUTERS. New York

The dollar index rose on Friday, with the greenback set to lock in a fourth straight week of gains after data this week kept interest rate expectations for the Federal Reserve in check while investors looked towards next week's key payrolls report.

The Commerce Department said non-defense capital goods orders excluding aircraft, a closely watched proxy for business spending plans, jumped 0.5 percent last month after an unrevised 0.3 percent gain in August and above the 0.1 percent rise estimated by economists polled

A separate report by the University of Michigan showed October consumer sentiment rose to 70.5 from 70.1, topping the 69 estimate, while the one-year inflation outlook fell to 2.7 percent from the preliminary reading of 2.9 percent but in line with September's final result.

The dollar was poised for its fourth straight week of gains, as a run of positive economic data has quieted expectations about the size and speed of the Fed's rate cuts, which has also lifted US Treasury yields.

Investors are now focusing on the October government payrolls report next week, which is likely to be impacted by a strike at Boeing and two hurricanes that hit the US

"We had a massive recalibration in economic expectations for the US and that process seems to have largely run its course, the Fed's policy trajectory looks much more reasonable and interest rate differentials between the US and other major economies are stabilizing here," said Karl Schamotta, chief market strategist at Corpay in Toronto.

"Clearly payrolls data is the key variable, and it is still an open question as to whether September's number was an outsized move or an aberration, a statistical aberration and so, next week's report will help to clarify that, but the reality is that we also are going to be taking it with a huge grain of salt."

Bida's one-stop service

"The services are only provided after my staff visits their offices," he stated, adding that they have to pass extra costs incurred from bribes on to consumers, which increases the cost of products.

Humayun Rashid, managing director and CEO of Energypac Power Generation Ltd, said getting services online is a far

"To get services, you must arrange a visit to the factory by plane or helicopter for the officials as well as provide other undue benefits.'

He alleged that government officials make excuses and hint that underhanded dealings are mandatory to get services.

However, Syed Nasim Manzur, a former president of the Metropolitan Chamber of Commerce and Industry, said businesses should avail online services through the OSS, opining that it is a good platform.

Manzur, also managing director of Apex Footwear Ltd, said his firm has been availing services through the OSS for the

Jibon Krishna Saha Roy, director (OSS and regulatory reform) at Bida, said corporate houses never file allegations regarding bottlenecks or harassment in obtaining or renewing licences or certificates.

"If they do not file an allegation, how will Bida cooperate with them?"

He added that investors who face such

problems in any office should inform Bida so action can be taken.

Ferdaus Ara Begum, CEO of Business Initiative Leading Development, said the reluctance to change shown by some government officials is concerning, especially as they hinder business and

Zirka Amin, a programmer of RJSC who deals with complaints raised by service-seeking companies, said most firms do not know how to get seamless

Mohammed Amirul Haque, managing director of Premier Cement Mills. alleged that processes related to licence renewal or clearance cannot be obtained from various agencies unless some "speed money" is paid

That's why they hire lawyers or chartered accountants at a high cost, she

"On the other hand, many of those who want to do it themselves make mistakes. So, they do it through brokers. While doing these things, they spend money," she added.

However, she said there is an opportunity to identify problems and correct them by contacting the appropriate authorities.

New policy for goods transport of financial irregularities against the

According to the policy, the group of companies that own lighter vessels would have to carry only their cargo with permission from the shipping department.

Besides, the business groups would not be allowed to increase their fleet with hired vessels or carry cargo by vessels that are in their fleet but not registered in the name of that factory.

"Such a policy is directly against the freedom of trade guaranteed under the Competition Act," said Mohammed Amirul Haque, chairman of Seacom group.

Alleging that the hurried move to formulate such a policy is an attempt to reinstate the old, unholy syndication of a section of corrupt politicians turned businessmen of the ousted government over controlling lighter vessel operations, he questioned the authority of the Department of Shipping to reinstate the serial system in allocating lighter vessels.

In 2004, three vessel owners' organisations jointly formed a single platform named the Water Transport Cell (WTC) to operate vessels for the transport of import cargoes in inland waterways.

The organisations are the Bangladesh Cargo Vessel Owners Association, the Coastal Ship Owners Association of Bangladesh and the Inland Vessel Owners Association of Chattogram.

After facing long delays in vessel allocation and higher freight rates from the Water Transport Cell, different industrial groups and importers started buying and hiring lighter vessels to transport their

imported cargo since 2011. In December last year, raising allegations Cargo Vessel Owners Association, leaders of the Inland Vessel Owners Association of Chattogram severed ties with the Water Transport Cell and started operating vessels separately. "As the Water Transport Cell was

abolished, importers and vessel owners were able to negotiate freight rates, whicl significantly reduced transport costs," said Parvez Ahmed, spokesperson of the Inland Vessel Owners Association of Chattogram

Satyajit Das Barman, head of Business (Grains and Logistics) at TK Group, said they faced no hassle in timely acquiring the desired number of lighter vessels by directly negotiating with vessel owners in the last nine months.

Meanwhile, the freight cost on the Chattogram-Dhaka waterway dropped by around Tk 120 per tonne, said Barman. "Reinstating the serial system and giving

the sole mandate to a single platform would bring back the old syndication," he added.

However, Commodore Mohammad Maksud Alam, director general of the shipping department, said the policy has been formulated to bring discipline to the trade and establish equal competition.

"There is no possibility of creating a monopoly in the trade as a supervisory committee will oversee the activity of the new platform to check for malpractice," he

He alleged that a section of vessel owners offered very poor freight rates in the absence of a disciplined system, causing a large portion of vessels to incur

Present accurate data

However, this type of social capital, along with law and order and good relationships among people, is currently lacking, while savings are also decreasing, he said.

Some infrastructure has been built, but the healthcare and education systems are not conducive for the public, he said.

prohibiting members of parliament, president, ministers. the bureaucrats, and their family members from going abroad for healthcare services," said Mintoo, also a former president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

He noted that the interim government may not be able to implement all reforms, so it should management and the supply chain focus on those that are achievable in a short time frame.

discussions with political parties so he noted.

they can carry out the remaining reforms in progress, enabling the next elected government to fulfil all reform tasks.

Professor Rashed Al Mahmud Titumir, a director at Bangladesh Bank, commented that merely meeting with government officials and running Trading Corporation of Bangladesh (TCB) activities will not "I think there should be an act control stubborn inflation; planned actions from the commerce ministry are also necessary

> He recommended consulting food importers who bring in essential items like wheat and onions from abroad.

Mir Nasir Hossain, also a former FBCCI president, argued that simply contracting the money supply will not curb high inflation unless market are improved.

Rent-seeking within the supply Additionally, it could engage in chain is driving up the costs of goods,

With tighter money supply, interest rates in the banking sector have risen, and loan classification standards have been made stricter, creating significant challenges for industries.

"If this continues, how will new jobs be created in the private sector?"

Hossain emphasised the need to make the education system more need-based and to create a conducive environment in the equity market so that entrepreneurs can also raise funds from the stock market.

Prof Sayema Haque Bidisha, provice chancellor of Dhaka University; Muhammad Abdul Mazid, a former chairman of the National Board of Revenue; Md Jashim Uddin, a former president of the FBCCI; Asif Ibrahim, a former president of the Dhaka Chamber of Commerce and Industry; and MS Shekil Chowdhury, chairperson of the Centre for NRB, also spoke at the event.

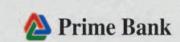
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Premier Bank wants to remain people's 'bank of choice'

CEO says on the occasion of its silver jubilee

STAR BUSINESS REPORT

Premier Bank has established a brand that incorporates trust, innovation and exceptional customer service in its 25 years of operation, said Mohammad Abu Jafar, managing director and the chief executive officer of the private commercial lender.

"As we embark on its next chapter, we aim to maintain our position as the 'bank of choice' for people," Jafar said in an interview with The Daily Star on the silver jubilee of the bank yesterday.

While sharing insights on the bank's journey, he highlighted some milestones achieved over the years, including the introduction of real-time online banking, the launch of Islamic banking services, the development of the Premier Agent Banking network and the innovative smart banking app "pmoney"

He said the bank now looks to double its business and market share in the coming years. "We envision increasing our loan portfolio to Tk 60,000 to Tk 80,000 crore within the next five years, with a special focus on agriculture and

Jafar said their core strengths lie in its strong brand value, experienced board and capable workforce.

"With a comprehensive network of branches, sub-branches, agent banking outlets, and a competitive product portfolio, Premier Bank is well-positioned to lead the market," he added.

And to attain the place, the CEO identified resilience, technological innovation and a customer-centric approach as the core elements of their strategic plan.

While distinguishing the bank's credit

strategy includes expanding its presence in underserved regions and focusing on digital capabilities to meet the evolving needs of customers.

In the realm of digital banking, the bank has launched its "pmoney" mobile app, which allows customers to access banking services round the clock, he

Jafar said the bank is continuously investing in its digital infrastructure to enhance both convenience and security.

Recent innovations like the "Premier Bank Quick Account" and the "Green PIN" service highlight their focus on making banking simpler and more accessible, he added.

Besides, the introduction of exclusive credit cards like Visa Signature and MasterCard World showcases their



commitment to catering to the needs of their elite customers, he said.

"We are planning to introduce more innovative services, such as AI-driven The CEO said Premier Bank's growth customer support, improved digital

payments and broader access through mobile and internet banking."

The bank currently operates 136 branches, 67 sub-branches and 195 agent banking outlets across Bangladesh.

Serving a client base of 2 million, the bank has established over 350 service touchpoints nationwide to ensure comprehensive access to banking

Speaking on the challenges currently facing the banking sector, he identified rising inflation and currency volatility, which may push up non-performing

"Robust risk management practices, diversified portfolios and technological investments will be vital in navigating these challenges," he said, advocating for stringent pre-loan assessments and enhanced monitoring systems to identify potential risks early.

He said that as the banking sector evolves, trust remains a significant concern. Maintaining transparency, strengthening risk management and improving customer service are essential to regaining public trust.

"Premier Bank's dedication to integrity and customer-centricity aims to foster long-term relationships based

Jafar said they are also committed to corporate social responsibility, focusing on education, healthcare and disaster

He also highlighted the bank's recent donation of Tk 1 crore to aid flood victims in the north-eastern region of Bangladesh.

Premier Bank began its journey in 1999 under the leadership of Dr HBM Iqbal with a goal to contribute meaningfully to the sustainable development of Bangladesh.

Competition Commission's role in inflation management

SYED ERSHAD AHMED

The rising tide of inflation in Bangladesh is more than a mere statistic; it represents a growing crisis affecting everyday lives. With inflation hitting 10.49 percent in August 2024 down from a staggering 11.66 percent in July – consumers feel the pinch in their wallets.

Central to this challenge are supply chain disruptions, intensified by logistical inefficiencies, dependence on imported goods and monopolistic practices in essential industries. As these factors intertwine, they create a perfect storm for market instability. The Bangladesh Competition Commission (BCC) must urgently step up its efforts to address these issues, regulate market dynamics and safeguard consumers from the relentless march of rising prices.

Established in 2012, the BCC plays a crucial role in fostering competitive markets and curbing anti-competitive practices. However, operational delays, skilled staff shortages and lack of initiative have hindered its effectiveness.

Strengthening the commission's capacity is essential as monopolistic behaviour among wholesalers and distributors continues to drive prices higher. In markets dominated by intermediaries, supply manipulation and unfair mark-ups

further strain consumers while diminishing profit margins.

Concentration within supply chains significantly hampers producers' ability to negotiate favourable terms, limiting consumer choice and contributing to inflated prices. Recent projections from the Asian Development Bank anticipate inflation will rise to 10.1 percent in fiscal 2024 25, highlighting the urgent need for proactive measures in

market regulation. Addressing these challenges is vital to creating a more competitive environment, market stability and fair pricing.

The BCC should

prioritise dismantling bottlenecks within agricultural and consumer goods markets, where intermediaries exert influence. significant Promoting direct sales from consumers producers to through avenues such as farmers'

markets and digital platforms can help reduce reliance on middlemen. However, successfully implementing these reforms will

necessitate long-term structural adjustments. Furthermore, vigilant monitoring of mergers and acquisitions will be instrumental in preventing excessive market concentration. The BCC must take assertive moves when such mergers jeopardize competition, safeguarding a

fair and dynamic market environment. Inflation has been further intensified by disruptions in transportation and dependence on imports. Recent data indicates that local items account for 72.5 percent of

inflation, highlighting the need for improved distribution. The government can support the BCC by ensuring sufficient funding and providing technical expertise, particularly in competition law and supply chain management. The commission requires knowledgeable and

capable individuals to enhance its effectiveness. To strengthen competition law enforcement, it is important to streamline processes by simplifying the filing of complaints and investigations, thus encouraging stakeholder participation. Implementing regular monitoring of market practices and publishing enforcement reports will enhance transparency. Additionally, educating businesses and consumers about competition law and its reporting mechanisms is essential for fostering compliance. Besides, imposing stricter penalties for violations will deter anticompetitive behaviour and promote regulation adherence.

A comprehensive response to inflation necessitates synergistic collaboration among government entities, market regulators and private stakeholders. By further empowering the BCC to take effective measures, the country can foster competitive markets, tackle supply chain inefficiencies, and safeguard consumers from unjust price increases

As inflationary pressures continue to escalate, the urgency for decisive action has reached a critical juncture. Enhancing the capabilities of the BCC and effective execution and enforcement is essential for reinstating market confidence and safeguarding the economy from potential disruptions. This proactive measure will not only stabilize the current economic landscape, but also fortify Bangladesh's resilience against future challenges.

The writer is a logistics specialist and the president of

women entrepreneurs and underserved markets, he said. portfolio from its market peers, he said Berger Paints posts Tk 56cr profit in Q2

STAR BUSINESS REPORT

Berger Paints Bangladesh Ltd reported a Tk 56.59 crore profit for the July-September quarter of its current

This was a 21 percent year-on-year increase in profit for the multinational company.

Berger's earnings per share rose to Tk 12.20, up from Tk 10.12 in the same period last year, according to its financial statements released at the end of last week.

The multinational paint manufacturer also posted a profit of Tk 152.76 crore during the April-September period. In spite of the surge in profit, Berger's net operating cash flow per share turned negative, at Tk 28.27.

Berger Paints, a leading paint maker, first established its factory in Chattogram under the name Jenson & Nicholson (Bangladesh) Ltd in 1970. It was later rebranded as Berger Paints Bangladesh Ltd on January 1, 1980, as per

Mercantile Bank Q3 profit up 35%

STAR BUSINESS REPORT

Mercantile Bank PLC has reported a 35 percent increase in profit for the July-September quarter of this year. In the three months, the lender generated a profit of Tk

Its consolidated earnings per share (EPS) rose to Tk 1.06 for the quarter, up from Tk 0.78 during the same period in 2023, according to a recent disclosure on the website of Dhaka Stock Exchange

Mercantile Bank attributed the surge in EPS to a rise in profit before provisioning.

The bank's consolidated EPS was Tk 3.04 for the first nine months of this year. Its net operating cash flow per share climbed to Tk 7.21, which the bank attributed to improved cash flows from core operations.

Established in 1999, Mercantile Bank operates a nationwide network, with 152 branches, 197 ATMs and 188 agent banking outlets, as per its website.

SBAC Bank's Q3 profit jumps 158%

STAR BUSINESS REPORT

SBAC Bank PLC posted a 158 percent year-on-year rise in profit in the July-September quarter of this year. The profit amounted to Tk 40.38 crore.

The private bank's consolidated earnings per share (EPS) increased to Tk 0.49, up from Tk 0.19 in the same period last year, as per a recent disclosure on the website of Dhaka Stock Exchange.

SBAC said the EPS boost was driven by an increase in investment income, cost cutting measures in administrative expenses and reduced tax provisions alongside rising net interest income. The bank said its net asset value also increased as a result of the improved EPS. The bank recorded an EPS of Tk 0.95 for the nine

months ending in September this year. The consolidated net operating cash flow per share was Tk 1.38 in the January-September period, which the bank attributed to an increase in outstanding loans and in the

trade of securities. Launched in 2013 and listed at the DSE in 2021, SBAC offers both conventional and Shariah-compliant Islamic

banking through 89 branches nationwide, as per the bank's website.

Nvidia overtakes Apple as world's most valuable company

REUTERS

Mohammad Abu Jafar

is its diversity across various sectors

and housing.

system, Jafar added.

economic development.

this share to 50 percent within the next

three to five years, with a special focus on

Nvidia dethroned Apple as the world's most valuable company on Friday following a record-setting and Apple. The tech trio's market rally in the stock, powered by capitalizations have been neckinsatiable demand for its specialized and-neck for several months. artificial intelligence chips.

Nvidia's stock market value briefly touched \$3.53 trillion, slightly above Apple's \$3.52 trillion, LSEG data showed.

Nvidia ended the day up 0.8 percent, with a market value of \$3.47 trillion, while Apple's shares rose 0.4 percent, valuing the iPhone maker at \$3.52 trillion.

Nvidia, Apple and Microsoft are among the tech heavyweights that have helped push Wall Street to record highs this year, with their market capitalization neck-andneck this year.

Nvidia, Apple and Microsoft are among the tech heavyweights that Alphabet, Meta Platforms and have helped push Wall Street to other heavyweights to dominate record highs this year, with their market capitalization neck-and-

the world's most valuable company before it was overtaken by Microsoft

Nvidia, Apple and Microsoft are among the tech heavyweights that have helped push Wall Street to record highs this year

Microsoft's market value stood at \$3.18 trillion, with its stock up 0.8 percent.

The Silicon Valley chipmaker is the dominant supplier of processors used in AI computing, and the company has become the biggest winner in a race between Microsoft, the emerging technology.

Known since the 1990s as

a designer of processors for In June, Nvidia briefly became videogames, Nvidia's stock has risen about 18 percent so far in October, with a string of gains coming after OpenAI, the company behind ChatGPT, announced a funding round of \$6.6 billion. Nvidia and other semiconductor

> stocks got a lift on Friday after data storage maker Western Digital reported quarterly profit that beat analysts' estimates, buoying optimism about data center "More companies are now

embracing artificial intelligence in their everyday tasks and demand remains strong for Nvidia chips," said Russ Mould, investment director at AJ Bell.

"It is certainly in a sweet spot and so long as we avoid a big economic downturn in the United States, there is a feeling that companies will continue to invest heavily in AI capabilities, creating a healthy tailwind for Nvidia.'

READ MORE ON B2

US consumer mood brightens, among Republicans in particular

US consumer sentiment climbed to a six-month high in October as declining interest rates helped improve buying conditions for big-ticket items like cars, but the uptick was most pronounced among Republicans who grew more confident in their party regaining the White House in the Nov. 5 presidential election.

University of Michigan's Consumer Sentiment Index rose to 70.5 this month, the highest since April, from a final reading of 70.1 in September. The result topped the median estimate among economists polled by Reuters for a reading of 69.0 and also legged up from a preliminary figure of 68.9 two

As has been the case for several years now, though, details of the report showed a wide partisan skew.

In October it was consumers who identified as Republican and to a smaller degree independents who led the overall increase in sentiment, while sentiment among self-identified Democrats declined.

"The upcoming election looms large over consumer expectations," survey

on Friday.

Sentiment among Republicans rose by 7.8 percent, the most since February, and among independents it rose by 4.1 percent, confident that their nominee, former

sentiment meanwhile fell for the first time since July, declining 1.3 percent.

Hsu said Republicans have grown more



A woman carrying a shopping bag from Staud walks past people queuing for a pop-up shop in the SoHo neighbourhood of New York City. PHOTO: REUTERS/FILE

Director Joanne Hsu said in a statement the most since January. Democrat President Donald Trump, will prevail over Vice President Kamala Harris, the Democratic nominee, in an election now less than two weeks away. Polls show the race has narrowed to a toss-up, and Hsu said their results show the share of consumers who expect a Harris victory has fallen to 57 percent from 63 percent in September.

Households' views on the trajectory of inflation have flattened out, a development that will be welcome at the Federal Reserve as it carries out its pivot from the high interest rates it used to combat high inflation in the years immediately after the pandemic.

Year-ahead inflation expectations of 2.7 percent in October were unchanged from September's reading and have settled into the range of 2.3 percent-3 percent that prevailed in the two years prior to the pandemic. Longer-range inflation expectations eased back to 3 percent from 3.1 percent.

The Fed, which cut rates for the first time in four years in September by half a percentage point, next meets in the two days immediately after the election. Officials are expected to deliver a second cut, but by a smaller quarter-point

22ND BANGLADESH BUSINESS AWAR

The Baily Star

AWARDING EXCELLENCE IN BUSINESS

SPECIAL SUPPLEMENT • SUNDAY OCTOBER 27, 2024, KARTIK 11, 1431 BS





Corporation, and Alihussain Akberali, chairman of BSRM, pose for a photo at the 22nd DHL-The Daily Star Bangladesh Business Awards ceremony at Radisson Blu Dhaka Water Garden on October 8.

Awarding the private sector heroes

Since 2000, **DHL Express** and The Daily Star have been recognising firms, financial institutions, business icons. and women entrepreneurs achievements and efforts

REFAYET ULLAH MIRDHA

Bangladesh is an inspiring story of economic growth and development. The country became the 35th largest economy globally from almost scratch since its independence in 1971.

Neither was the journey easy, nor the road smooth.

However, the country's dogged private sector entrepreneurs have persevered through turbulent times. With unwavering resilience and hard work, they have lifted the economy from near ground zero.

Since 2000, DHL and The Daily Star have been recognising the contributions of these businesspeople to the economy. The annual DHL-The Daily Star Bangladesh Business Awards (BBA), sponsored by DHL Express and The Daily Star, honoured the best in the business community this year too.

Ahmed presented the awards to the winners at the Radisson Blu Dhaka Water Garden.

This year, the BBA was given in five categories: Business Person of the Year, Best Financial Institution of the Year, Best Enterprise of the Year, Best Woman in Business and a Lifetime Achievement Award.

Kihak Sung, the chairperson of Youngone Corporation, a Korean garment giant operating in Bangladesh for over three decades, received the Lifetime Achievement Award for his contributions to exports, job creation and industrialisation in Bangladesh.

Sk. Bashir Uddin, managing director of AkijBashir Group, was honoured as the Business Person of the Year 2023.

BSRM, the largest steelmaker in the country, was recognised with the Best Enterprise of the Year award.

Pubali Bank PLC, one of the oldest private banks in Bangladesh, received the Best Financial Institution of the Year 2023.

Kyaw Sein Thay Dolly, managing director of Cloths "R" Us Ltd, a garment buying house, was awarded the Outstanding Women in Business

of the Year for her entrepreneurial zeal.

Congratulating the entrepreneurs, Finance Adviser Salehuddin Ahmed assured them of removing obstacles to improve the ease of doing business.

"We are trying to remove all kinds of barriers," Ahmed said.

Lutfey Siddiqi, special envoy to the chief adviser on international affairs, suggested that the business community be more responsive to be able to say that Bangladesh is raising standards of wages, safety, and environmental sustainability.

In his keynote speech, Youngone chairperson Sung said, "This is one of the most fulfilling moments of my life."

He said his life has been intertwined with Bangladesh.

"When I am in Korea, I am known as a man who spent 44 years in Bangladesh. I am going Finance and Commerce Adviser Salehuddin to work here for another 33 years," said Sung, who is now 77.

> He said Bangladesh is a country of resilience. "Resilience is a truly fitting word for Bangladesh.'

> He cited the cyclone of 1991, saying they lost everything. Everyone struggled to get back to their regular lives. But the country rebounded eventually.

"I believe Bangladesh never fails," Sung said. He added that Bangladesh is making a big

contribution to the global economy. "It is a truly reliable source," Sung said.

Miarul Haque, managing director of DHL Express Bangladesh, said that as a country and business community, businesses have been facing a perfect storm over the past few months. "Now, they stand at a pivotal juncture where they must reset their direction for the

Mahfuz Anam, editor and publisher of The Daily Star, said that although reforms in the constitution and education have been widely discussed, much-needed reforms in the

business sector have not been highlighted. "I would like to divide the business

community into two groups: one consisting of honest businessmen and the other, unfortunately not," he said.

"This distinction must remain in all our minds. The activities of those who did not conduct honest business must be singled out, but the group that did business honestly, ethically and followed all the laws of the land, paying their taxes to the best of their ability, must be helped in every way possible," he

The event was attended by numerous business luminaries, including M Anis Ud Dowla, chairman of ACI Group; Tapan Chowdhury, managing director of Square Pharmaceuticals: Simeen Rahman, group CEO of Transcom Group; AK Azad, chairman and CEO of Ha-Meem Group; Ahsan Khan Chowdhury, chairman and CEO of Pran-RFL Group; Hafizur Rahman Khan, chairman of Runner Group, Ashraf Ahmed, president of Dhaka Chamber of Commerce and Industry; Naser Ezaz Bijoy, CEO of Standard Chartered Bangladesh; and Syed Mohammad Kamal, country manager of Mastercard.

National Board of Revenue Chairman Abdur Rahman Khan, British High Commissioner to Bangladesh Sarah Cooke, and Ambassador of South Korea Park Young-sik were also present at the event.

Rehman Sobhan, chairman of the Centre for Policy Dialogue (CPD); Matiur Rahman, editor of the Prothom Alo; Kazi Wahidul Alam, editor of tourism and aviation fortnightly Bangladesh Monitor; Farooq Sobhan, former ambassador and distinguished fellow of the Bangladesh Enterprise Institute; Iftekharuzzaman, executive director of Transparency International Bangladesh; Rounaq Jahan, distinguished fellow of the CPD; Rubana Huq, vice-chancellor of Asian University for Women; Shaheen Anam, executive director of Manusher Jonno Foundation; and Fahmida Khatun, executive director of the CPD, were also present.



WINNERS OF DHL-THE DAILY STAR BANGLADESH **BUSINESS AWARDS-2023**

BUSINESS PERSON OF THE YEAR Sk. Bashir Uddin, managing director of AkijBashir Group

> ENTERPRISE OF THE YEAR **BSRM Group**

BEST FINANCIAL INSTITUTION OF THE YEAR **Pubali Bank PLC**

OUTSTANDING WOMAN IN BUSINESS Kyaw Sein Thay Dolly, managing director of Cloths "R" Us Ltd

LIFETIME ACHIEVEMENT AWARD Kihak Sung, chairperson of **Youngone Corporation**

Top policymakers call for responsible business practices

STAR BUSINESS REPORT

Two top government functionaries called upon entrepreneurs to conduct business activities transparently and responsibly, saying that the interim government is trying to remove all the barriers to facilitate trade and investment.

"Always be in the sunshine. Nothing should be done under the table. That's the best test of business," Finance and Commerce Adviser Salehuddin Ahmed said at a gathering of entrepreneurs and top executives at the Radisson Blu Dhaka Water Garden on October 8.

The event was held to hand over prizes of the 22nd Bangladesh Business Awards, a flagship annual event of DHL Express and The Daily Star which is organised to honour entrepreneurs and enterprises for be able to operate in a responsible manner, government," he said.

their outstanding efforts and landmark achievements in their respective business

Ahmed assured the business community that barriers to doing business would be removed and said the business community is demonstrating empathy and altruism.

Ahmed said there is no uncertainty now and that the interim government has taken many initiatives to bring back discipline in banking and other sectors.

"Our main target is economic recovery," he

Lutfey Siddiqi, the chief adviser's special envoy for international affairs, said: "It's an extraordinarily opportune moment for us to imagine the possibilities that are available to

which is in a way true to stakeholders.

"To be able to say that we are raising standards of employment, wages, safety, and environmental sustainability. And, we will be doing business on the basis of quality.

'So, I look forward to all of us being part of the journey. It may be two steps forward and one step back. But as long as we are compassionate about each other's challenges and take everyone along on this journey, I am sure it is going to be a wonderful prize."

Referring to interim government advisers, he said every single person in the

team is there to do a good job. "We have variable capabilities. Some of us have better execution experience in some fields than others, but we are openminded. We, of course, correct when we get He said it's liberating for businesses to feedback. And we are hopefully a responsible



Salehuddin Ahmed

Lutfey Siddiqi

22ND BANGLADESH

The Baily Star

AWARDING EXCELL

SPECIAL SUPPLEMENT • SUNDAY

BUSINESS PERSON OF THE YEAR

Innovation was his driving force



As part of a family settlement, **Akij Group** split into five entities in **2020. Bashir** inherited mostly new businesses and then founded AkijBashir Group

MAHMUDUL HASAN

To lead a business to new heights, you need a deep-rooted philosophy of innovation and a willingness to face unforeseen challenges: This may sound like an adage, but it best describes business tycoon Sk. Bashir Uddin.

For example, when he joined the family business during his teenage years, it was more like a tough training period than a chance to mould his philosophy.

However, working under his father for 17 long years, he eventually learned how to analyse the business landscape, make precise decisions, and lead successful business expansions- qualities where the tying thread was innovation and the mentality to take on challenges.

It all began in 1988, on the day Bashir completed his matriculation exams. While his friends went to Cox's Bazar to celebrate, his father summoned him and asked him to join the family

He started as a stationery purchaser for the company, with a monthly salary of Tk 300. His job was to buy books, notebooks and pens for the company. Slowly but steadily, he climbed

the corporate ladder. By the age of 32, Bashir was appointed managing director of Akij Group after the death of his father Sk. Akij Uddin.

"I was quite restless, and my father believed I needed to be disciplined," Bashir Uddin recalled in an interview with The Daily Star.

"I was treated like any other employee, with no special privileges. My father never gave me a voice in the company until I proved my capabilities and earned his trust. "Even my salary increments followed

formal procedures and I could not draw more than I was officially allowed to," he added. Bashir worked under his father for 17

years. "I consider myself very fortunate to have had that opportunity, and I have always regarded myself as his servant number one. He was a man of excellence and precision in everything he did. A tough boss, without a doubt.

"My father constantly set challenges my age, but from him, I learned values, divest. "It took us about five to six years can cultivate a sense of community and

any situation, and the importance of creating a culture where everyone's voice is heard and respected."

Born in the village of Navaron in Jashore in 1974, Bashir completed his schooling there before moving to Dhaka with his mother in 1977. Under his father's leadership, Bashir helped the company venture into more sophisticated industries, including textiles, food and beverages and printing.

The group also reorganised its core tobacco business. "Between 1997 and 2003, I did a complete rebranding of our tobacco division and modernised it. It required an investment of Tk 1,000

When Bashir's father passed away in 2006, the responsibility of includes Akij Ceramics Limited, Akij leading a company with 55.000 employees fell

squarely on Bashir's shoulders. "It was incredibly difficult time But Bashir

eventually overcame that and took greater challenges. major was one selling Akij's most famous and profitable tobacco business in 2018.

"Tobacco

synonymous with our brand, then became a burden on our other

successes," he recalled. strong disapproval of the tobacco that seemed impossible for someone business, a key factor in their decision to employees, customers, and partners, we

ethics, the ability to objectively analyse just to find the right buyer."

In 2018, Akij Group sold its tobacco division to Japan Tobacco International for \$1.47 billion, the largest single foreign direct investment in Bangladesh's history.

"It was a very complex transaction. Japanese companies are meticulous and the due diligence process, ensuring compliance with legal and manufacturing regulations, took nearly two years.'

As part of a family settlement, Akij Group split into five entities in 2020. Bashir inherited mostly new businesses and then founded AkijBashir Group.

The group, which now employs 25,000 people, focused on expansion and diversification.

Today, AkijBashir Group's portfolio Particle Board Mills Limited,

Akij Polymer Limited, Akij Steel Mills Limited, Robin Resources (Malaysia) Sdn.

Bhd, Janata Sadat Jute Industries, Biax Akij F i l m s Limited and Akij Cartons. Apart $f \quad r \quad o \quad m$ maintaining the highest standards quality, Bashir said he prioritised

welfare.

subsidised housing for but our non-tobacco businesses were employees, schools, sports facilities, and growing tremendously. Tobacco the AkijBashir Trust, which supports education and healthcare.

emplovee

His initiatives include

Sk. Bashir Uddin

He said he firmly believes that He also mentioned his mother's progress is a collective endeavour. "Through collaborative efforts with our

shared objective."

Recently, the group launched glass production at a state-of-the-art plant in Madhabpur upazila of Habiganj, positioning itself as a key player in the rapidly growing market.

According to Bashir, the AkijBashir Glass factory is a testament to the group's commitment to sustainability and eco-friendly practices.

"Up to 71 percent of our electricity consumption in that facility comes from renewable energy sources," he said. "The goal is to reach 100 percent over time."

Regarding the future of AkijBashir Group, Bashir said he wants to make it structurally solid. "I want it to be a place for talent, an entity that solves people's problems and delivers value for money.'

When asked what kind of future he envisions for Bangladesh, especially in light of reform initiatives after the fall of the Awami League government, he said, "I want to see a fair country where everyone receives justice.

"Social or financial influence should not override justice -- this is the kind of country I want to leave for future generations.

"In a just society, if someone loses, they will understand that they lost due to a lack of competence, not because of injustice," he said. "There should be fairness in

the distribution of wealth, in the punishment for crimes and equality under the law." In the concluding part of the

conversation, when asked about the philosophy that drives him, Bashir hesitated. "I'm honestly not sure. What philosophy drives me? To become

wealthier? No. To create more companies? No, that's not it." He turned to a colleague who had

just entered the room moments earlier and asked, "What drives me?" "New challenges and innovation," the

ENTERPRISE OF THE YEAR

Rise of the steel giant

Now. the BSKM chairman is considered among the most experienced industrialists in the country and is even hailed as a "Steel Guru" for his vast expertise in the vital sector

Although the steel industry is crucial for developing modern economies, Bangladesh was completely devoid of one until the year 1952.

Three or four merchant families hailing from Gujarat in India had established separate small-scale manual rod making plants in Chattogram that year, sowing the seeds for the domestic steel industry.

However, only the family of Akberali Africawala, who founded the first unit of BSRM Group, has succeeded over the years.

This is because what Akberali and his brothers set in motion back then has been continued by their children and grandchildren, with their dedication and innovative ideas transforming the Bangladesh Steel Re-Rolling Mills Ltd (BSRM) into the country's leading steelmaker.

With a passion for harnessing unexploited opportunities relentless efforts to provide highquality specialised steel products, Akberali's third son Alihussain Akberali has played an immense role in this regard.

Alihussain together with his son Aameir Alihussain, his cousin Zohair Taherali

> and nephew Abdul have cemented BSRM's as position market leader, bringing about

ground breaking changes to the steel industry Bangladesh.

Now.

the

BSRM chairman is considered among the experienced most industrialists in the country and is even hailed as a "Steel Guru" for his vast expertise in the vital sector.

Alihussain Akberali

Aameir Alihussain, the current managing director of BSRM, recently shared the fascinating story behind the group's long journey to success.

HISTORY

Akberali's father Alibhai Khanbhai, a clothing trader from Amreli in Gujarat, was among several Gujarati merchants who had travelled to Madagascar in Africa prior to 1900 to make a living.

Alibhai returned to his homeland in 1930 and engaged in trading hardware and silver products.

But following the partition of India in 1947, the family gradually migrated to West Pakistan and started a hardware business in Karachi.

It was through this hardware business that Akberali and his brothers started frequently visiting Dhaka to trade nails and screws.

HOW IT STARTED

"It was during one such visit that my grandfather and one or two of his brothers decided to tour Chattogram, where they fell in love with the region's greenery, weather and iron-rich water," Aameir said.

Seeing an opportunity, Akberali decided to anchor their hardware business in the country and opened an office on Jubilee Road in Chattogram

Akberali had sensed the prospect for steel production in Bangladesh as the country was completely lagging in this regard compared to India, where the industry was already well established.

"Being of Indian origin, our family had good connections with industry people in the neighbouring nation and used those connections to their advantage," Aameir said.

Then in 1952, Akberali and his four brothers -- Taherali Africawala, Abdul Hussain Africawala, Rajabali Africawala and Ghulam Hussain Africawala established the East Bengal Re-rolling Mill in Nasirabad, Chattogram.

Following the Liberation War, their steel plant, business properties and assets were nationalised but Akberali and Taherali stayed in Bangladesh as they had a deep love for the new country.

"The government gave back our assets within two years but since there was a gap, they had to start over and the plant was renamed as Bangladesh Steel Re-rolling Mills [BSRM]," Aameir said.

NEW JOURNEY

Akberali's third and youngest son Alihussain had got a job offer from



his chartered accountancy in West Pakistan in 1972. But honouring his father's wishes, Alihussain joined the family business.

In the years that followed, Alihussain, his brothers, uncles and cousins led the plant's transition from a small manual rolling mill to one that produces global quality products.

The country's construction sector saw some pace in the 1980s, which helped the industry's rise.

'The family kept making gradual investments, modifying the plant to increase its product range. For the next 15 years, they kept innovating, researching and developing new products," Aameir added.

By 2001, Aameir joined the business after completing his graduation in economics from McGill University in Canada and an MBA from LUMS University in Lahore.

Alihussain, his son Aameir and cousin Zohair then planned for steady expansion to grab the rising market with a persistent hankering for more advanced technology.

The annual production capacity of BSRM's old re-rolling plant in Nasirabad, which was merely 36,000 tonnes in the 1980s, was gradually Saudi Aribia's Aramco after completing increased to 1.20 lakh tonnes till 2008.

That same year, the group set up a new plant at Fouzderhat with brand new automated equipment imported from Italy to produce the country's first 500-grade steel bars, bringing a dynamic change to the local market.

Aameir also said that afterwards, they went for continuous upgradation and expansion in terms of quality, efficiency, production capacity, and developing specialised and diversified products.

According to him, BSRM Group saw its real exponential growth after 2008 in line with the country's steady economic growth.

"We kept expanding production as the market kept growing," he added.

By the year 2022, with two rolling mills and four billet making plants, BSRM's combined annual production capacity of mild steel rod and billet each reached about 1.8 million tonnes.

As a part of exploring new opportunities, the company in 2018 set up a unit in Mirsharai of Chattogram to make various products, such as galvanised wire and welding electrodes.

Then came the blow of the Covid-19 pandemic, followed by the Russia-Ukraine war.

Still, the leaders remained

optimistic over the past two years and initiated the massive expansion of one of its billet plants and set up a greenfield rolling plant in Mirsharai.

BSRM has invested around Tk 2,100 crore in these two projects.

"We were hopeful about more opportunities in the coming years. Moreover, we were running at full capacity, so we can take the challenge," Aameir said.

With the billet factory expansion project having ended last year, BSRM's combined billet production capacity has reached 2.4 million tonnes.

Also, the new rolling plant will add 6 lakh tonnes to its mild steel rod production capacity, with the combined capacity now at 2.4 million tonnes per annum.

However, the factory is currently in

the commissioning stage. BSRM registered net profits of Tk 589.3 crore in fiscal 2022-23, when its overall sales revenue was Tk 19,958.6

present, the company employs more than 4,500 people and is considered a "university" for steelmaking, as many of its workers go on to hold leading positions at other steelmaking companies.

BUSINESS AWARDS

ENCE IN BUSINESS

OCTOBER 27, 2024, KARTIK 11, 1431 BS



BEST FINANCIAL INSTITUTION

Pubali Bank's journey to the top



The lender had gone through ups and downs in the 64 years since it was founded before finally coming out on top through its performance, growth and innovation

MD MEHEDI HASAN

While more than a dozen banks in Bangladesh are struggling to stay afloat, Pubali Bank, which has emerged as one of the leading private commercial lenders, stands as a glowing example of how to traverse difficult times.

The lender had gone through ups and downs in the 64 years since it was founded before finally coming out on top through its performance, growth and innovation.

The bank has been able to maintain a low non-performing loan (NPL) to outstanding loan ratio and secured staggering profits over the last couple of years.

The bank's NPL to outstanding loan ratio was over 35 percent in 2000. But inclusion.

it was brought down to 6.25 percent in 2014 and then to 2.86 percent in 2023.

Last year the bank secured substantial year-on-year growths in profit (35.42 percent), deposits percent), loans and advances (20 percent), remittance collections (42 percent) and import and export business (8 percent).

Moreover, every segment has continued to grow.

According to Managing Director and CEO Mohammad Ali, the secret lies in maintaining good governance under experienced management, strictly abiding by rules and regulations, undertaking timely initiatives, tackling political interference and focusing on financial inclusion and digital

After Bangladesh gained independence, Pubali Bank was nationalised and subsequently corporate governance was destroyed and defaulted loans increased to 54 percent, Ali told The Daily Star in a recent interview.

The bank had started its operation in East Pakistan as Eastern Mercantile Bank in 1959. In 1984, the lender turned into an ailing institution and was denationalised and renamed Pubali Bank.

After denationalisation, the first responsibility of the board was to cover up its financial, managerial and operational weaknesses and establish a mindset that focused on ensuring corporate governance, Ali said.

The board needed 21 years, meaning till 2005, to fix those issues and the ups and downs during that period helped investors of the bank gain experience,

Bangladesh Bank assigned an observer to monitor its activities in 2005 and withdrew the official in 2007, he added.

Now, Pubali Bank is the largest private commercial bank with 504 branches, 195 sub-branches, 21 Islamic banking window branches and the largest real-time centralised online banking network.

Till last year, deposits at the bank stood at Tk 60,629.64 crore and advances stood at Tk 55,449.55 crore.

The bank does not lend money to anonymous or paper-based companies, Ali said, nor does it compromise or bow down to political pressure, he said, adding that they have been able to create a quality

asset base. "Pubali Bank is now in the number one position in terms of the regulator's confidence a n d customer confidence. he said. also

boasts the lowest amount classified loans in the banking sector, said Ali, adding that they were

able to maintain bad loans at less than 3 percent of all loans.

The bank is continuously progressing in offering digital banking services and has different products for different segments of the population, even senior citizens, he said.

It also always tries to ensure customer comfort through financial inclusion and digital inclusion.

The board of directors of Pubali Bank adopted policy measures that are helpful for maintaining the corporate governance at the bank.

The commitment of the board of directors is the main issue here, explained Ali.

When discussing digital inclusion, Ali said it would ensure the survival of the banking sector in the future.

"Now banks must focus on digital inclusion," he said.

A CEO of a bank will have to spend 50 percent of his or her time on digital inclusion and will have to take the right decision at the right time, he added.

Digital inclusion helped to expand the portfolio, Ali pointed out.

"Every employee of a bank must adapt to a digital environment. Banks must focus on business, digital inclusion and financial

inclusion. Now there is no option to survive digital without inclusion," said.

> joined Pubali Bank, its loans and advances stood at Tk 6,500 crore years back. But now loans and advances at our principal branch stand at Tk 8,500

"When

crore," Ali said. The bank maintaining balance in export

and import, which will help mitigate the forex crisis. All of the bank's segments are growing, he said.

Mohammad Ali

AK Khan, OR Nizam, MR Siddiqui, Khan Bahadur Mujibur Rahman, Mirza Mohammad Ali Ispahani, Habibur Rahman and Dr Naimur Rahman were some of the notable sponsors of the

OUTSTANDING WOMAN IN BUSINESS

A trailblazer for women in business

Dolly spends 1 percent of her company's earnings on the welfare of her society, such as by providing free education to underprivileged children. She also gives technical education and assistance to her community

REFAYET ULLAH MIRDHA

Her dream was to enrol in Chattogram University or another reputed institution, but she could not even sit for the admission test as her father fell

Since he believed he would not be around for a lot longer, the bed-ridden gentleman advised his daughter to get admitted to a college to obtain a degree rather than committing the time to complete an Honours degree.

This would enable her to graduate more quickly and find a job sooner.

Kyaw Sein Thay Dolly, managing director of Cloths "R" Us Ltd, a garments-buying house, followed her father's advice and got admitted to Tejgaon College in Dhaka in the B. Com (Pass) course.

Her ambition was to complete her education, become the breadwinner of her family, and assume responsibility for her four younger siblings.

During her student life in Dhaka, she worked as a tutor, but after getting her degree in 1996, things began moving

Dolly was helped by her elder sister, who was working as a merchandiser at Li & Fung and referred Dolly for the job. But her prospects

were also bolstered by her initiative to complete another six-month secretarial

science course from the YMCA in Dhaka. When she went to

join Hong Kong-based Li & Fung in January of the next year, Dolly given two options by her British

The first was to work as his personal secretary for a salary of Tk 15,000 per month while the alternative was to work as an assistant merchandiser for a much lower wage. Dolly chose the latter, spurred by her

Kyaw Sein Thay Dolly

planning to use her vast experience to launch her own business.

which had been bought by her family.

crore from the sale of the land and the years as a highly paid employee.

Afterwards, she visited Germany, India and other large markets and got a good response from foreign buyers

belief that being a secretary offered little career prospects or progression.

After successfully completing the sixmonth apprenticeship, she continued working at the company for 13 more vears.

While working at Li & Fung, Dolly continued her studies and secured an MBA degree from a private university by

"My MBA degree was a turning point in my life. It taught me how to become an entrepreneur and a good manager," Dolly said.

Finally, in 2010, she departed Li & Fung to take on a bigger responsibility, joining global garment sourcer PVH as a divisional manager.

In the meantime, she gained leadership experience and sought out more responsibility. She was not content with being a divisional manager and instead aimed to become a country manager for a foreign garment sourcing company.

She achieved that goal in 2013, joining Dutch brand MS Mode as country manager, but she moved that same year to MGF Sourcing, a US-based high-end garment retailer, and was

posted in Jakarta until 2016. She earned a lot of experience in Jakarta, meeting people of different nationalities, and was eventually promoted to director of merchandising.

She quickly became the de facto leader of the office in Jakarta as her skills and grasp of the English language outshone others. As per her request, the company

transferred Dolly to Bangladesh and promoted her to country director. However, in 2018, Dolly began

In May of 2019, she started her business. To gather the starting capital, she sold a parcel of land in Cox's Bazar,

She managed to gather around Tk 1 savings she had built up during her

Finally, she opened her own buying house in Dhaka.

despite the Covid-19 pandemic posing significant barriers.

After a pause in business due to the severe fallouts of the pandemic, her business picked up again, and she broke even in 2021. Now, with her company boasting

an annual turnover of \$10 million, Dolly plans to set up a garment manufacturing unit in 2025, believing her business will be an even bigger hit after Bangladesh graduates from a least developed country (LDC) to a developing nation in 2026.

As she has always prioritised environmental concerns, her company makes garments from bamboo fibre, and organic cotton that has been certified by the Better Cotton Initiative

Such success has been achieved by Dolly despite her never wishing to be an entrepreneur in her student life.

Dolly was born in Chattogram's Patharghata, where her father used to run a small business, although her hometown is Cox's Bazar.

Her father, who had been educated

Chattogram with a handmade screen printing and dyeing factory, which was launched just after independence in

There, he made sarees for local consumers until 1982 or 1983.

From those humble beginnings, Dolly now has a business with 12 employees and an annual turnover in the tens of millions. Her profit margin is around 10

Her dream is to become a bigger player in the sustainable fashion world by making clothes from recycled materials such as plastic.

She wants to expand further and hopes to increase turnover to \$30 to \$50 million over the next five years.

Although Dolly has faced a lot of ups and downs, she believes the business environment for female entrepreneurs has improved a lot, to the point that she does not see any difference between male and female entrepreneurs.

Business ethics, payment terms, honesty and expertise matter a lot to

Dolly, a Rakhine girl from the Harbang village under Chokoria in Cox's Bazar, is also the president of the Bangladesh Rakhine Buddhist Welfare Association of Dhaka Metropolitan

She is also the president of a Buddhist Temple in her village.

Dolly spends 1 percent of her company's earnings on the welfare of her society, such as by providing free education to underprivileged children.

She also gives technical education and assistance to her community and works as an organiser of the Rakhine community people in Dhaka.

The self-made Dolly thinks that many struggle in business due to a lack of motivation and mental strength. Having the proper mindset as well as realistic goals is very important.

The garment business in Bangladesh has a lot of potential and the government should place special emphasis on this business, Dolly said.



22ND BANGLADESH BUSINESS AWAR

The Baily Star

AWARDING EXCELLENCE IN BUSINESS

SPECIAL SUPPLEMENT • SUNDAY OCTOBER 27, 2024, KARTIK 11, 1431 BS



LIFETIME ACHIEVEMENT AWARD

I have learnt to respect workers: Kihak Sung



Youngone Corporation now operates production facilities in Bangladesh, Vietnam, China, El Salvador, Ethiopia and Uzbekistan, and has offices in major cities around the globe

JAGARAN CHAKMA

Kihak Sung, chairman of Youngone Corporation and a pioneer in Bangladesh's readymade garments (RMG) and textile sectors, has been instrumental in the country's rise as a major global exporter.

Sung, born in 1947 in Seoul, Korea, studied international economics at Seoul National University. After working at Seoul Trading, he founded Youngone Corporation in 1974, focusing on manufacturing outdoor apparel.

Since establishing its first plant in Seongnam, South Korea, it has now become the premier manufacturer of outdoor apparel -- sportswear, down jackets, footwear and other gear. Sung's commitment

environmental issues and quality has shaped the long-term philosophy and vision of the company.

products, helped Youngone become a pioneer in the industry.

 $In 1980, Sung \, made \, a \, ground breaking$ move by setting up Bangladesh's first foreign-owned apparel manufacturing plant in Chattogram.

This was the beginning of Bangladesh's transformation into a hub for garment production.

Youngone Corporation now operates production facilities in Bangladesh, Vietnam, China, El Salvador, Ethiopia and Uzbekistan, and has offices in major cities around the globe, making it a truly global and multinational entity with over 100,000 employees.

"It was accidental that we came to Bangladesh. We were induced to invest in the country by a Korean resident who was involved with a construction project here," Sung said in an interview with The Daily Star recently.

In 1987, Youngone set up a factory These principles, along with a in the Chittagong Export Processing units, largely under the ownership of relentless drive to improve people and Zone. The Dhaka EPZ, which began Youngone.

operations in 1993, also welcomed Youngone as its first investor.

Youngone's factories in the country produce high-quality jackets, trousers, sports shoes and leather goods for international markets.

The company currently employs approximately 70,000 people in Bangladesh, making it one of the nation's largest employers.

However, one of Sung's most significant contributions to Bangladesh was the development of the Korean Export Processing Zone (KEPZ) in Chattogram.

The KEPZ, which began its operations in 2011 under the Bangladesh private EPZ act, covers 2,492 acres of land, of which 52 percent is kept green by plantations, water bodies and open

KEPZ especially focuses on renewable energy and thereby supports the development of rooftop solar power technology for renewable energy and to decrease reliance on fossil fuels.

Youngone has established a 40-MW solar rooftop power plant in the KEPZ, the biggest in Bangladesh.

Sung said he got a report on the This unique zone is the country's only private export processing where humans, flora fauna peacefully business coexist with machines. $W\,i\,t\,h\,i\,n$ h e industrial enclave, there 33 lakes and waterbodies, All the fabrics and accessories attract which **Kihak Sung** for the season's around species of birds and more than 87

Korean Youngone Corporation, the KEPZ currently hosts 48 industrial

A subsidiary of the South

pioneer in establishing export-oriented garment factories in Bangladesh.

Its factories specialise in producing premium jackets, trousers made from synthetic fibre, sports shoes, leather handbags, backpacks, and travel bags for international retail markets.

Since the commencement of the project, the KEPZ has created direct job opportunities for 31,000 individuals, most of whom are female. It has also created over 25,000 indirect jobs outside the zone.

Presently, the KEPZ factories collectively export goods worth approximately \$400 million each year.

In his illustrious career, Kihak Sung has held various prestigious roles, including as chairman of the Korea Federation of Textile Industries and president of the International Textile Manufacturers Federation.

He faced a major challenge after the devastating cyclone in 1991. The damage left the entrepreneur with a major decision regarding continuing investment in Bangladesh.

> devastation of the cyclone two to three days after the disaster hit the region and the decision he took was the turning

point for his Bangladesh. "We lost 300,000 400,000 garments waiting for shipment.

production were Luckily, damaged. we had no casualties. While recovering from the disaster, we learned how desperate our

employees were to keep their jobs," Sung said.

"I decided to make a substantial

Youngone is also recognised as a investment in building a new multistory factory to protect against similar disasters in the future. We also decided to double our workforce to reproduce the garments we lost in time to support our clients' upcoming business needs,' he added.

> "The approach worked as all our employees showed remarkable resilience and unselfish dedication to work. Next season, our clients doubled their orders." he recalled.

> Under his leadership, Youngone Corporation has kept its proud legacy while navigating several challenges.

> In 1987, Youngone Corporation established a legal entity with an investment of \$200,000 in Kingston, Jamaica but had to close it down.

> However, Sung dealt with the setback effectively and established a new legal entity in El Salvador in 2001 and has been managing the operations from there since then.

> of Youngone, the majority of production was ski wear of nylon fabric with down filling or polyester insulation. "We replicated it in Bangladesh.

According to him, since the inception

However, we are now using newly developed polyester fabrics of high quality," he added. Reflecting on his long business

career, Sung said he experienced both sides of the coin-good times and hardships. He said the vision and human-centric

philosophy helped him overcome the hardships.

"I have enjoyed making products for my favourite sports. I have saved many brands from failure. I have successfully created and kept nearly 100,000 jobs,' he said on his successes during the

"I have learned how to respect workers and try to provide a good working environment as much as possible. With patience and integrity, I survived through many difficulties and disasters. I am happy that I could keep working in the same industry for 52 years," he said.

"I am grateful for that."

Logistics can accelerate Bangladesh's progress

mammals.

Says Md Miarul Haque, managing director of DHL Express Bangladesh

STAR BUSINESS REPORT

Efficient logistics is not a mere operational necessity. Rather, it is a strategic driver of development. Logistics can significantly accelerate the progress of Bangladesh, said a top official of DHL Express Bangladesh.

"When we think of logistics, we often picture large-scale elements like roads, railways, rivers, and ports, which are essentially infrastructure. This focus on infrastructure sometimes diverts our attention from the silent killer — inefficiency," said DHL Express Bangladesh Managing Director Md Miarul Haque at the awards ceremony of the 22nd edition of the Bangladesh Business

Awards earlier this month.

He said infrastructure is undoubtedly crucial for logistics, but concentrating solely on building and expanding it without addressing existing inefficiencies can lead to even more inefficiency.

"Therefore, it is essential to prioritise digitalisation and simplification, which can provide significant improvements much faster and ensure we are prepared for even higher efficiency when our infrastructure is enhanced."

Haque cited the World Bank's Logistics Performance Index (LPI) 2023 and said Bangladesh's ranking improved to 88th out of 139 countries, up from 100th in

"While this is a positive development, we still lag behind most of our major competitors," he said, adding that Bangladesh was trailing Thailand, India, Vietnam, and Indonesia in the logistics

"Logistics inefficiencies can have a profound and multifaceted impact on trade, affecting everything from costs to competitiveness. Addressing these inefficiencies is crucial for enhancing

trade performance and economic growth. He said the World Bank highlighted that efficiency in the logistics sector in Bangladesh could offer substantial cost savings, ranging from 7 to 35 percent depending on the sub-sector.

"These savings can be a game-changer for our economy, making our goods more competitive in the global market, reducing time to market, and attracting foreign investment."

"Bangladesh as a country and its business community are at a pivotal juncture where we must reset our direction for the future," Haque said.

He added that the momentum generated by Bangladesh's economic engine would be a key success factor in the journey toward prosperity.

"And your role has always been crucial," he told entrepreneurs and top executives at the event.



Md Miarul Haque





