

MJL to spend up to \$47m to buy oil tanker

STAR BUSINESS REPORT

Mobil Jamuna Lubricants (MJL) Bangladesh Ltd, which blends and markets lubricants and grease products, yesterday announced that its board has approved the purchase of a used oil tanker within a range of \$45 million to \$47 million.

With a capacity of about 115,000 deadweight tonnage, the nearly 13-year-old ship will replace the MJL's existing ageing tanker vessel MT Omera Legacy (MTOL), which mainly operates in the Persian Gulf and the Arabian Sea.

The MTOL, a crude oil tanker, was purchased in October 2017 and is jointly managed and operated by Thome Ship Management Pte Ltd Singapore, and EC Bulk Carriers Ltd Dhaka, according to the annual report 2023-24 of MJL Bangladesh Ltd.

Shares of MJL Bangladesh PLC rose 0.64 percent from that on the day before to close at Tk 93.80 on Dhaka Stock Exchange (DSE) yesterday.

The publicly listed company has the capacity to prepare around 150,000 barrels of blended lubricants in a year and imports about the same quantity of finished lubricating oil, which are mostly absorbed by the domestic market.

The MJL's profit grew to Tk 277 crore in the fiscal year 2023-24, up marginally from Tk 276 crore a year ago.

Renata raises Tk 536cr through bonds, preference shares

STAR BUSINESS REPORT

Renata PLC has raised Tk 536 crore by issuing zero coupon bonds and preference shares, saying the funds would be used to reduce its average cost of lending.

In a statement yesterday, the pharmaceutical company said it had organised an event at Renaissance Dhaka Gulshan Hotel on Sunday in this regard jointly with its financial adviser, City Bank Capital Resources.

Renata is now planning to issue preference shares worth Tk 325 crore to repay high-cost loans, subject to approvals from shareholders and the Bangladesh Securities and Exchange Commission.

City Bank Capital CEO Ershad Hossain and Chairman Aziz Al Kaiser were present.

Lovello to acquire 50% stake in Sharika Foods

STAR BUSINESS REPORT

Taufika Foods and Lovello Ice-cream PLC has announced that it would acquire a 50 percent stake in Sharika Foods & Amandala Ltd at a cost of Tk 50 lakh.

Lovello's board has approved a proposal to purchase 5 lakh shares of Sharika Foods at Tk 10 each, as disclosed on the Dhaka Stock Exchange (DSE) website yesterday.

The investment will be funded from the company's earnings, according to the website posting.

The acquisition will proceed following shareholder approval at an upcoming 13th annual general meeting, it added.

However, the share price of Lovello declined by 1 percent to Tk 88.8 at the DSE yesterday.



PHOTO: AHMED HUMAYUN KABIR TOPU

The newly built Nagarbari port in Bera upazila of Pabna is already struggling to facilitate the transport of fertiliser, coal and other goods to 16 northern districts due to poor navigability amid the dry season. And with port activities having slowed down in recent weeks, there are concerns over whether a stable supply of fertiliser can be ensured for the upcoming Boro season.

Poor navigability disrupts cargo transport through Nagarbari port

Fertiliser shipment for Boro season could be disrupted in the north

AHMED HUMAYUN KABIR TOPU

Nagarbari port, one of the largest riverports in Bangladesh, is mainly used to facilitate the transport of imported fertiliser and coal from Chattogram to 16 northern districts of the country.

However, activities at the port situated on the banks of the Jamuna river in Bera upazila of Pabna are being disrupted by poor navigability, raising concerns about whether farmers will get a smooth supply of fertiliser in the upcoming Boro season.

This is because the waters have receded amid the ongoing dry season, allowing only lighter vessels that carry small amounts of goods to dock. Previously, larger vessels that can carry loads of up to 1,200 tonnes were able to reach the port.

As such, the flow of fertilisers and coal has dropped by more than 50 percent over the past few weeks, according to authorities of Nagarbari port, which was constructed at a cost of Tk 563 crore.

Besides, the navigability is so poor that even lighter vessels with carrying capacities of just 700 tonnes are struggling to arrive after unloading the goods from larger vessels that are parking nearby, they said.

"Usually, four or five vessels carrying fertiliser would reach Nagarbari port every week. But now, only two vessels are arriving weekly," said Sagar Hossain, a representative of Abdul Zabbar Mollah Trading.

He informed that a total of 1.30 lakh sacks of fertiliser were supposed to reach

Nagarbari port by the end of November. However, only 65,000 sacks arrived at the port as of November 20.

"No vessel can easily reach Nagarbari port due to the sudden fall of the water level in Jamuna river," Hossain said, citing how one of their vessels got stranded at the river's Mollar Char point last week.



"So, we are being forced to unload the cargo onto lighter vessels, and that increases the transportation cost," he added.

Nagarbari Port Officer Md Abdul Wakil said the navigability problem will likely persist for the next three months or so, adding that dredging work are ongoing to improve vessel movement.

"Due to disruption of vessels movement, fertiliser and goods carrying vessels are unloaded onto small cargo vessels on the river so

transportation costs increased," he added.

"Each larger vessel carries a minimum of 1,000 tonnes of goods but we have no scope to directly reach Nagarbari port from Chatrogram port carrying such as load," said Tonmoy Kundu, a representative of Sheikh Brothers.

Due to the navigability crises, the loaded vessels can go as far as the ports in Aricha, Pajkhali and Mollar Char point, where they are unloaded by lighter vessels, he added.

During a recent visit to Nagarbari port, it was found that only a few workers were present as most of the vessels were yet to arrive.

Md Bappy Fakir, son of Nagarbari port lease holder Abdul Gani Fakir, said about 3.51 lakh sacks of fertiliser were unloaded in September while 4.74 lakh sacks were unloaded in October.

"Due to poor navigability, most of the vessels are going to Nawapara port in Jashore instead of Nagarbari port. As a result, the newly built Nagarbari port is bringing no profit," he added.

Sudam Babu, a fertiliser trader based in Nagarbari port, said they are having to spend extra on transporting fertiliser from Nawapara port instead of Nagarbari port.

"We need to spend about Tk 30,000 for using a truck to carry fertiliser from Nagarbari port to any northern district. But the cost is about Tk 55,000 if the same mode of transport is used to carry fertiliser from Nawapara port," he added.

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It's time to forget Silicon Valley formula and build our own

ADNAN IMTIAZ HALIM

The world has long been captivated by Silicon Valley: the land of endless innovation, where founders start in garages and build tech giants. It is a formula that many have tried to emulate, but it's time for Dhaka to write its own recipe—one that works for our unique context, strengths, and challenges.

The allure of Silicon Valley is undeniable. But when we try to replicate this formula in Bangladesh, we quickly learn that Dhaka isn't Palo Alto, and it doesn't have to be. Dhaka has its own rhythm, strengths, and potential. We are a city bursting with energy, full of entrepreneurs who innovate out of necessity. We do not need another Silicon Valley: we need a Dhaka Valley.

To create the Dhaka Valley Recipe, we must embrace our context. In Bangladesh, startup founders don't have access to abundant venture capital or deep talent pools. Instead, we scale through resourcefulness, frugality, and community. When funding is sparse, we need to become profitable faster. When talent is scarce, we need to invest in people and focus on turning potential into excellence. Our founders often wear multiple hats—from sales to HR to operations and product management—roles that would be divided among many in Silicon Valley. This necessity breeds a kind of leadership that is nimble, empathetic, and deeply connected to the realities on the ground, making our founders agile and uniquely effective leaders.

A key ingredient of the Dhaka Valley Recipe is managing growth and ensuring sustainability. We cannot afford to fail before attracting large foreign investors. This means carefully managing growth and creating a solid foundation that draws global interest. Bangladesh often falls at the bottom of investors' priority lists (even within emerging markets), so our funding funnel must adapt accordingly.

The power of collaboration is also critical. In Silicon Valley, competition is often the driving force. Here, the power lies in collaboration—not just among founders but with customers, government bodies, and educational institutions. Our success stories are rooted in ecosystems where everyone benefits.

We must also embrace our people-centric approach. Silicon Valley focuses heavily on technology, often with a "move fast and break things" mindset. In Dhaka, we must focus on people—on the communities we serve, on the employees we nurture, and on the families we impact. The work we do must create real value for people's lives. Empowerment is not just a buzzword; it is the foundation of our businesses—one that can lift millions from informal, unrecognised work into structured and sustainable livelihoods.

Our growth in Bangladesh must be sustainable and inclusive. We cannot build for a handful while leaving millions behind. Instead, our growth must bring real economic change to those who need it most.

Finally, we need to understand the dynamics of attracting venture capital. Venture capitalists need a return, and they are willing to make bold decisions if your business shows extraordinary potential to become a billion-dollar enterprise. We need to give them confidence that they can expect 10-20X returns—so that even in the worst-case scenario, they see a 2-3X return.

The Dhaka Valley Recipe isn't about abandoning Silicon Valley's inspiration; it's about adapting it. Our challenges are different, and so are our strengths. We need solutions that work in our soil, crafted with our own ingredients. We need policymakers who foster innovation, investors who value impact, and founders who believe in this country's potential. If we can do that, we won't just create startups; we will create stories, change lives, and build an ecosystem future generations will be proud of. It's time for Dhaka to stop chasing the Silicon Valley dream and start living on its own.

The writer is the founder and CEO of Sheba Platform Limited



TotalEnergies pauses funding for Adani Group after bribery charges

REUTERS, New Delhi/Paris

French oil major TotalEnergies halted on Monday investments into Adani Group, after the Indian ports-to-power conglomerate was engulfed in a crisis over an alleged multi-million-dollar bribery scheme.

The Indian business group's chairman, Gautam Adani, and seven other people were last week charged by U.S. authorities with agreeing to pay around \$265 million in bribes to Indian government officials.

The Adani Group has said the accusations as well as those levelled by the US Securities and Exchange Commission in a parallel civil case are baseless.

TotalEnergies, which has a 20 percent stake in Adani Green Energy Ltd, the company at the centre of the case, said on Monday that it will freeze further payments into the group.

"Until such time when the accusations against the Adani group individuals and their consequences have been clarified, TotalEnergies will not make any new financial contribution as part of its investments in the Adani group of companies," the company said in a statement.

TotalEnergies rejects corruption in any form, it said, adding that it "was not made aware of the existence of an investigation into the alleged corruption scheme".

Petrol industry embraces plastics while navigating energy shift

AFP, Washington

Amid the inexorable shift toward more electric vehicles, oil and gas producers are looking increasingly to plastics to help keep them afloat, even if that sector faces challenges of its own.

Plastics and chemical products now account for 15 percent of world demand for the refined petroleum products used to make them. But as "robust growth" continues, that should rise to 25 percent by 2050, Guy Bailey, head of oils and chemicals markets for research firm Wood Mackenzie, told AFP.

This "reflects both the importance of plastics -- which are integral to every facet of modern life and the delivery of the energy transition -- and the longer-term decline in the demand for fuels as the transport sector electrifies."

Bailey added: "The petrochemicals sector plays an important role in the downstream sector."

Whether plastics can provide a sufficient lifeline for the petroleum industry is less clear.

"If you take a barrel of oil, most of what that barrel of oil is used for is transportation fuels, gasoline, diesel, aviation fuel. Only a small share of that

is used for plastics," said Martha Moore, chief economist for the American Chemistry Council (ACC), an industry trade association.

But "that should change as electric

vehicles become more affordable," said Steven Fries of the Peterson Institute for International Economics (PIIE) and a member of Britain's Climate Change Committee.



The photo shows caps of plastic bottles at a recycling factory in Kasama city of Ibaraki Prefecture in Japan.

PHOTO: AFP