

DSE brokers call for suspension of CCBL procurement

STAR BUSINESS REPORT

The DSE Brokers Association of Bangladesh (DBA) has called for an immediate halt to the procurement activities of Central Counterparty Bangladesh Limited (CCBL), citing concerns over governance, transparency and operational inefficiencies.

In a meeting with the board of directors of the Dhaka Stock Exchange (DSE) on December 3, the DBA raised alarms over CCBL's past procurement practices, highlighting potential risks to national interests, according to a letter issued by the DSE.

These concerns were later echoed at a board meeting of the DSE held on the same day.

The DBA flagged several issues, including questionable procurement decisions that may have compromised key technology infrastructure, significant delays in CCBL's operational launch and missed opportunities for cost savings through resource sharing with the DSE.

Additionally, a lack of stakeholder engagement and irregular financial reporting have further eroded trust in CCBL's governance.

# BTTC for 25% duty on rice bran oil export

STAR BUSINESS REPORT

The Bangladesh Trade and Tariff Commission (BTTC) has recommended that the government impose a 25 percent regulatory duty on the export of crude and refined rice bran oil to discourage shipments and increase domestic supply.

The suggestion comes in response to soaring cooking oil prices in the local market over the past three months, driven by rising international prices due to a reduction in palm oil production and Indonesia's increased focus on using palm oil for biodiesel.

In Dhaka, the average price of unpackaged palm oil, the most consumed edible oil, rose by 20 percent to Tk 158.5 per litre yesterday, according to market price data compiled by the Trading Corporation of Bangladesh.

It was Tk 132.5 per litre three months ago.

Prices of soybean oil have also increased, with supply still falling short of demand.

The BTTC noted that Bangladesh requires approximately 23 lakh tonnes of edible oil annually, and more than one-fourth of this demand could be met by producing rice bran oil.

Bangladesh produces 5.5 crore tonnes of paddy annually, from which up to 7 lakh tonnes of rice bran oil can be extracted.

Currently, the country has 20 rice bran oil mills with an annual production capacity of 4.53 lakh tonnes. Of this capacity, 2.86 lakh tonnes are produced and packaged.

The BTTC stated that rice bran exports have declined since the government imposed a 25 percent export duty.

However, crude rice bran oil continues to be exported to India, as no duty currently discourages its export.

Bangladesh annually exports around 70,000 tonnes of crude rice bran oil, according to the commission.

The BTTC observed that the supply of



There are currently 20 rice bran oil mills in Bangladesh with a combined annual production capacity of 4.53 lakh tonnes.

PHOTO: STAR

edible oil is decreasing due to the export of rice bran oil. Exporters are reportedly reluctant to supply the oil to the Trading Corporation of Bangladesh (TCB), citing high market prices. The TCB has requested measures to discourage the export of the oil.

Last month, the BTTC organised a seminar with stakeholders.

Based on its analysis, the commission, in a letter to the commerce secretary and the National Board of Revenue on Wednesday, suggested that a 25 percent regulatory duty be imposed on the export of crude and refined rice bran oil.

It also proposed that prior permission from the commerce ministry be made mandatory for the export of rice bran and bran oil.

Chitta Majumder, managing director of the Majumder Group of Industries, which exports rice bran oil, said prices of edible oil, including rice bran oil, rose in India after the neighbouring country slapped import duty on cooking oil import.

Price of edible oil has also shot up in the international market, he added.

However, Bangladesh gets duty-free benefits under the South Asian Free Trade Area, so importers from there are showing increased interest to make imports from Bangladesh, he added.

Majumder said imposition of regulatory duty on exports of rice bran oil will make export less attractive, but consumers will get the oil at cheap rates.

## Why dividend delay a double whammy for investors

FROM PAGE B1

In October this year, the DSE downgraded 14 companies to the 'Z' category for failing to pay dividends within the stipulated time.

The companies are SK Trims & Industries Limited, Shepherd Industries PLC, VFS Thread Dyeing Limited, Fortune Shoes Limited, Associated Oxygen Limited, Desh Garments Ltd, Indo-Bangla Pharmaceuticals Limited, Beach Hatchery Ltd, Advent Pharma Limited, Kulnna Power Company Limited, Libra Infusions Limited, Pacific Denims Limited and Union Insurance Company Limited.

The latest addition to this list was Confidence Cement, which was downgraded to the 'Z' category last week.

After that, Confidence Cement's stocks fell by over 15 percent within a week.

On Monday, the DSE upgraded the cement-maker to the 'A' category after dividend payment.

Similarly, a number of companies downgraded in October returned to 'A' after implementing required measures.

If a company fails to pay dividends within the specified period, the

regulator should hold the management and board accountable and take punitive action against them," said Saiful Islam, president of the DSE Brokers Association (DBA).

"Stock investors are already victims of delayed dividends and downgrades further hurt them," he said, adding, "How can a regulator take steps that punish general investors instead of those responsible for the wrongdoing?"

Islam, also a director of BRAC EPL Stock Brokerage, called for revising the directive in the interest of stock investors.

Md Ashequr Rahman, managing director of Midway Securities, said the situation would not be as dire if margin loan restrictions were not tied to the downgrades.

Investors usually sell shares to adjust margin loans, causing prices to drop further," he explained.

He also said that low financial literacy in the country complicates the whole scenario.

Rahman also suggested limiting margin loan offerings to protect investors.

Contacted, Md Delwar Hossain, company

secretary of Confidence Cement, defended the company's track record.

"For 32 years, we paid dividends within the stipulated time. This year, we were in trouble due to stagnant business conditions."

The company announced a 10 percent cash dividend while reporting earnings per share of Tk 8.73, according to the DSE.

However, Hossain said unrealised profits tied up in associated companies constrained cash flow, preventing a higher dividend.

"We completed the dividend payment on Wednesday and informed the regulator," he added.

BSEC Spokesperson Mohammad Rezaul Karim said the commission avoids frequent policy changes but would consider recommendations from a task force currently consulting stakeholders.

The task force will provide short-, medium- and long-term measures," he said.

The BSEC has already fined directors of 10 companies for failing to pay dividends within the deadlines set by the regulator.

## Uttara Bank opens new branch in Cox's Bazar

STAR BUSINESS DESK

Uttara Bank PLC opened a new branch at Chakaria in Cox's Bazar yesterday.

This is the 248th branch of the bank, according to a press release.

Mohammed Rabiul Hossain, managing director and CEO of the bank, inaugurated the new branch as the chief guest.

Md Rezaul Karim, deputy managing director of the bank, Md Rabiul Hasan, general manager for public relations division, Mohammad Liton Pasa Khan, general manager and head for Chattogram zone of the bank, among others, were also present.

## Inflation 7%

FROM PAGE B1

been tightened and fiscal measures implemented to control domestic borrowing.

"I think all the medications that could be applied has been applied in order to reduce inflation. We are waiting for the body to react to the medication. We are waiting for the economy to react to the doses of economic policy tightening," Mansur said.

Apart from tightening the monetary policy, Mansur said the government also has removed import duties on essential food items like onions, vegetable oil, and sugar to help ease inflationary pressures.

If inflation does not show signs of improvement by January, "we will tighten the monetary policy further" to achieve the desired results, he said. Highlighting significant economic challenges and ongoing efforts to stabilise the country's financial situation, he said Bangladesh has been actively focusing on foreign exchange, balance of payments and banking sector issues.

One of the most pressing issues, according to Mansur,

is that the unsettled LCs, have now been reduced to over \$300 million which was initially estimated at over \$2.5 billion, with a clear objective to eliminate all pending payments.

"We do not want to tolerate a single non-payment issue," he said.

On the matter of foreign exchange reserves, Mansur explained that the country had been depleting its reserves in previous years to manage imports.

However, with reserves now at a more precarious level of \$20 billion, Bangladesh Bank has stopped selling foreign currency for market interventions, he said.

The emphasis now is on allowing the market to determine the exchange rate, without central bank interference, he said.

Talking about the banking sector, Mansur said to address mismanagement, irregularities and bring good governance to the banking sector, the government has introduced a bank resolution act, which grants the central bank the authority to take decisive actions, including liquidation or mergers of troubled banks.

## Consumer financing

FROM PAGE B1

Bank, said consumer financing has slowed because of inflationary pressure.

Inflation in Bangladesh hit a four-month high of 11.38 percent in November this year and has stayed above 9 percent since March of last year.

Alam said Bangladesh Bank is trying to curb inflationary pressure by hiking the policy rate, which pushes up the lending rate. As a result, people are avoiding loans.

Rahman, also the former chairman of the Association of Bankers, Bangladesh, said banks are now very conservative in giving consumer credit as defaulted loans in this segment have also increased.

## US-China officials to hold economic talks before Trump return

AFP, Washington

Economic officials in outgoing President Joe Biden's administration are set to meet their Chinese counterparts this week for talks, in a final effort to strengthen ties before Donald Trump's White House return.

The talks come as Treasury Secretary Janet Yellen stressed in an interview Wednesday the need for "ongoing communications at all levels" to avoid needless worsening in relations between the world's two biggest economies.

Economic and trade tensions between Washington and Beijing have continued to flare during Biden's time in office.

But temperatures could rise further under Trump, who has threatened sweeping tariff increases on Chinese goods ahead of his presidency, most recently over concerns surrounding the flow of illegal fentanyl into the United States.

"It's critical to have open channels of communication," Yellen told Bloomberg Television, warning that Trump's universal tariffs proposal would likely trigger retaliation.

For now, US officials are seeking to reinforce communication channels on economic issues.

On Thursday, Treasury Under Secretary for International Affairs Jay Shambaugh is due to meet Chinese Vice Minister of Finance Liao Min for an economic working group meeting on the sidelines of Group of 20 talks in South Africa, said the Treasury Department.

"The United States and China are the two largest economies on the globe, and the American people expect that we should be able to communicate directly with Chinese officials on both areas where we agree and especially on areas where we don't," said Shambaugh.

Treasury officials are expected to raise issues of concern like recent Chinese export restrictions on certain key minerals, a department spokesperson said.



Mohammed Rabiul Hossain, managing director and CEO of Uttara Bank, inaugurates a new branch of the bank at Chakaria in Cox's Bazar yesterday.

PHOTO: UTTARA BANK

## Oil little changed

REUTERS

Oil prices were little changed on Thursday as forecasts of weak demand and a higher-than-expected rise in US gasoline and distillate inventories placed a lid on gains from an additional round of EU sanctions threatening Russian oil flows.

Brent crude futures were up 31 cents at \$73.83 a barrel at 0815 GMT. US West Texas Intermediate crude futures rose 22 cents to \$70.51. Both benchmarks rose by more than \$1 on Wednesday.

Opec cut its demand growth forecasts for 2025 for the fifth straight month on Wednesday and by the largest amount yet.

"Investors will be closely monitoring the IEA's market balance estimates for 2025, which will reflect Opec's recent announcement," analysts at ANZ said in a note on Thursday.

In the world's top oil consumer, the United States, gasoline and distillate inventories rose by more than expected last week, according to data from the Energy Information Administration.

Weak demand, particularly in top importer China, and non-Opec+ supply growth were two factors behind the move. However, investors anticipate a rise in Chinese demand, after Beijing unveiled plans this week to adopt an "appropriately loose" monetary policy in 2025, which could spur oil demand.

Global oil demand rose at a slower-than-expected rate this month, but has remained resilient, analysts at JPMorgan said in a note on Thursday.

"Growth (in oil demand) over the past week has been tempered by a slight reduction in jet fuel consumption across much of the world," the note read.

**সিলেট গ্যাস ফিল্ডস লিমিটেড**  
(পেট্রোবাংলার একটি কোম্পানী)  
**Sylhet Gas Fields Limited**  
(A Company of Petrobangla)

Ref. No. 28.20.9153.144.81.001.24

Date: 12-12-2024

**CORRIGENDA OF TENDER**

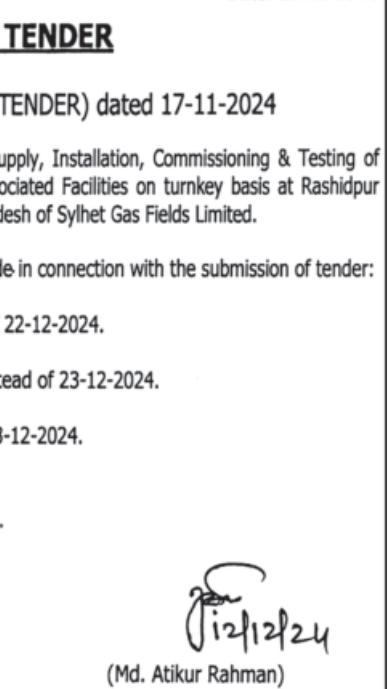
Tender No: SGFL/RCFP/TOH/2024(RE-TENDER) dated 17-11-2024

Tender for procurement of Design, Engineering, Procurement, Supply, Installation, Commissioning & Testing of One (1) Natural Gas Fired Thermal Oil Heater Package with Associated Facilities on turnkey basis at Rashidpur Condensate Fractionation Plant (RCFP), Bahubal, Habiganj, Bangladesh of Sylhet Gas Fields Limited.

The following Corrigenda in the tender document are hereby made in connection with the submission of tender:

1. Tender last selling date will be 12-01-2025 instead of 22-12-2024.
2. Tender closing/Receiving date will be 13-01-2025 instead of 23-12-2024.
3. Tender opening date will be 13-01-2025 instead of 23-12-2024.

All other information, terms & conditions will remain unchanged.



Tender for procurement of Design, Engineering, Procurement, Supply, Installation, Commissioning & Testing of One (1) Natural Gas Fired Thermal Oil Heater Package with Associated Facilities on turnkey basis at Rashidpur Condensate Fractionation Plant (RCFP), Bahubal, Habiganj, Bangladesh of Sylhet Gas Fields Limited.

The following Corrigenda in the tender document are hereby made in connection with the submission of tender:

1. Tender last selling date will be 12-01-2025 instead of 22-12-2024.
2. Tender closing/Receiving date will be 13-01-2025 instead of 23-12-2024.
3. Tender opening date will be 13-01-2025 instead of 23-12-2024.

All other information, terms & conditions will remain unchanged.

Bank, said consumer financing has slowed because of inflationary pressure.

Inflation in Bangladesh hit a four-month high of 11.38 percent in November this year and has stayed above 9 percent since March of last year.

Alam said Bangladesh Bank is trying to curb inflationary pressure by hiking the policy rate, which pushes up the lending rate. As a result, people are avoiding loans.

Rahman, also the former chairman of the Association of Bankers, Bangladesh, said banks are now very conservative in giving consumer credit as defaulted loans in this segment have also increased.

**Invitation for Tenders**

No. BSMRAAU/Registrar/163/2024/Part File/OTM-03/06A Date: 10 December 2024

**Government of the People's Republic of Bangladesh**

1	Ministry/Division	Ministry of Education
2	Procuring entity name	Bangabandhu Sheikh Mujibur Rahman Aviation and Aerospace University (BSMRAAU)
3	Procuring entity district	Dhaka, Bangladesh
4	Invitation for	SUPPLY AND INSTALLATION OF EQUIPMENT FOR AEROSPACE MATERIALS LAB, BANGABANDHU SHEIKH MUJIBUR RAHMAN AVIATION AND AEROSPACE UNIVERSITY AT LALMON