

# star BUSINESS



Sk Bashir Uddin

Govt has no Aladin's lamp to lower prices: Bashir

STAR BUSINESS REPORT

The government does not have an Aladin's magic lamp in hand to bring back normalcy in the commodity prices immediately, Commerce Adviser Sk Bashir Uddin said yesterday.

There is "no switch to turn off" to bring down the prices all of a sudden," he said.

Bangladesh has enough rice in stock to meet its demand, and the food ministry has taken steps to import a few more lakh tonnes of rice from Myanmar, Pakistan and India, the adviser said.

The government has already reduced rice import duty to 3 percent from the earlier 63 percent

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## Reserves drop to \$20b after ACU payment

STAR BUSINESS REPORT

Bangladesh's foreign exchange reserves fell to \$20 billion yesterday from \$21.67 billion after the country paid \$1.67 billion in regional import bills through the Asian Clearing Union (ACU).

The ACU, a Tehran-based organisation, facilitates payment settlements among nine member countries: India, Bangladesh, Bhutan, Iran, the Maldives, Myanmar, Nepal, Pakistan, and Sri Lanka.

Under the ACU mechanism, Bangladesh clears its import bills every two months, leading to a temporary decline in reserves after each payment.

As of January 8, the country's forex reserves stood at \$21.67 billion, calculated in accordance with the International Monetary Fund's (IMF) BPM6 manual.

The central bank has been able to mitigate the

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## Major trade bodies miss election deadline as reforms take centre stage



We will proceed with the election schedule as soon as the ministry approves the amendments. As these amendments are vital for a genuine voter list, the 90-day poll timeframe does not matter a lot in this case.

Md Anwar Hossain  
Administrator to BGMEA

### ATAGLANCE

Holding timely election in major trade bodies uncertain	Tenure for administrators has already been extended	Number of nominated directors in the FBCCI was increased several times
Trade organisation rules will be sent to advisory council soon for approval	Election will take place after the amendment	FBCCI and BGMEA play vital roles in formulation of trade policies

### WHAT ADMINISTRATORS SAY

Presidents should be elected directly	None should run for president more than twice in a row
Vital amendment needed in trade organisation rules	Fresh voter list is important for holding election

REFAYET ULLAH MIRDHA

Elections at major trade bodies have missed the 90-day deadline as new administrators of the business organisations seek amendments to the governing rules.

In this regard, they have sent letters to the commerce ministry wing responsible for overseeing trade and business chambers, requesting the amendments to ensure only genuine businesspeople can vote.

Following the political changeover in August last year, the interim government assumed office and appointed administrators to the trade bodies including the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

The administrators were supposed to hold elections within 90 days of their appointments.

Now the administrators come up with the request for amendments to the electoral processes of the trade bodies.

For example, they propose that the president should be directly elected, that no president should serve more than two consecutive terms, and that the number of directors in the trade bodies should be reduced.

Under the current election rules in major trade bodies such as the FBCCI and BGMEA, the president is elected indirectly.

The winning panel in the election selects the president from among its directors.

Similarly, over the past several years, the number of directors in trade bodies like the FBCCI has been increased to secure positions for influential individuals.

The number of directors in the FBCCI has been increased several times.

The commerce ministry, through a statutory regulatory order, raised the number of nominated directors from 16 to 18 and elected directors from 28 to 30 for the 2012-14 term.

However, according to the FBCCI's articles of association, holding an extraordinary general meeting (EGM) is a must to increase the number of either elected or nominated directors.

Previously, the number of director positions was increased in 2010, when the



number of nominated directors was raised from 14 to 16.

In the FBCCI election, both the elected and nominated directors enjoy equal power in the selection of the president and vice-presidents.

Since the formation of the apex trade body of the country in 1973, the general voters used to elect the president and vice-presidents through a direct voting system.

But in 2002, the FBCCI introduced a system where the president and vice-presidents

are selected by the elected and nominated directors of the trade body.

The biennial FBCCI election held on 31 July 2023 was largely a formality, as a majority of the directors were nominated and elected unopposed.

Under the existing FBCCI rules, of the total 80 director positions, some 34 -- 17 from the chamber group and 17 from the association group -- are nominated, while the remaining 46 are elected, with 23 from each group.

In the last FBCCI election, 16 directors from the chamber group and the same number from the association group were nominated after two directors from each group were disqualified for various reasons.

Moreover, in the last FBCCI election, the chamber group election did not take place as four out of 27 valid candidates withdrew their candidacy for the 23 available positions, allowing the remaining contestants to be elected unopposed.

As a result, the election only took place in the association group to select 23 directors.

Consequently, the government-backed candidate panel won 55 of the 78 contested positions, and its candidate ultimately became president without major opposition.

The new administrators have also pointed out that the current voter lists of these trade bodies have many fictitious names, as many businesses have ceased operations, some business owners have left the country and others have retired from business altogether.

For instance, the total number of voters in the BGMEA surpassed 3,375, while the current number of active garment factories under this trade body is around 2,100, said Md

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## Pran to invest Tk 600cr more in poultry portfolio by 2027

SUKANTA HALDER

Local agro-processing giant Pran plans to invest an additional Tk 600 crore in its poultry business within the next two years, responding to the country's growing demand for eggs and chicken.

Pran's existing poultry farm in Habiganj's Chunarughat area currently produces as many as 5 lakh pieces of eggs per day.

The company will allocate a large portion of the new investment to set up four advanced egg farms in Noakhali, Shariatpur, Chittagong and Mymensingh, with a combined daily production capacity of 20 lakh pieces of eggs.

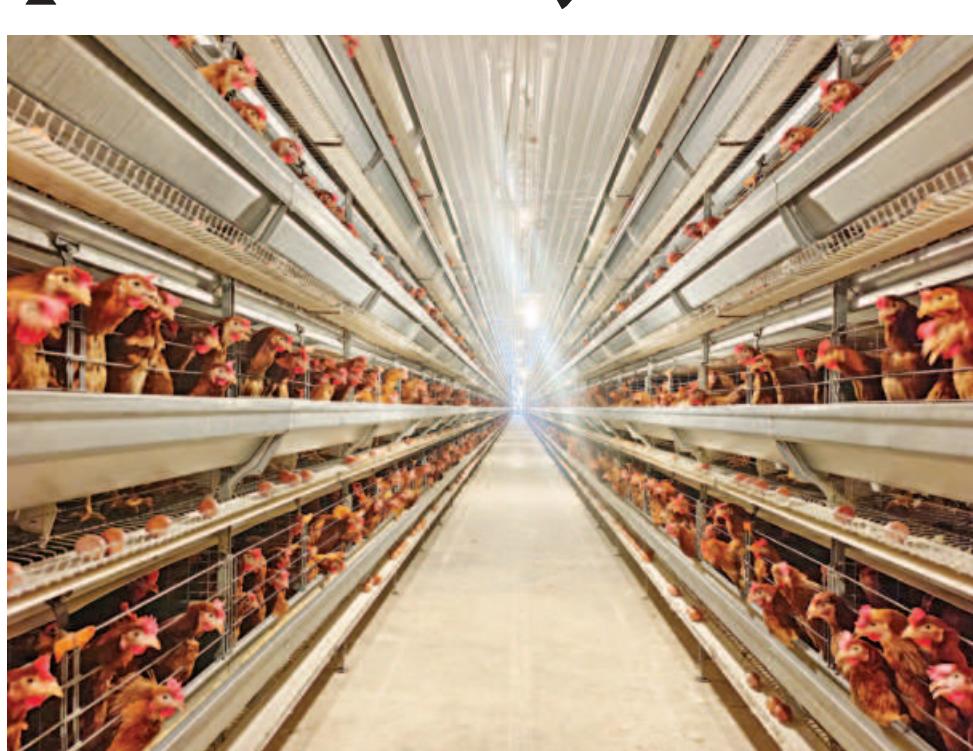
Besides, Pran will invest in poultry breeding and white meat production.

"We are now in the process of acquiring land in Noakhali, Shariatpur, Chittagong and Mymensingh to set up four advanced egg farms," said Kamruzzaman Kamal, director of marketing at the Pran-RFL Group.

Kamal said that roughly Tk 400 crore will be invested in these egg farms, while an additional Tk 200 crore will be allocated to breeder and broiler farms.

He said that the breeder farm is expected to begin chick production this year, and the broiler farm for meat production is scheduled to begin operations next year.

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Pran's existing poultry farm in Habiganj's Chunarughat area currently produces as many as five lakh pieces of eggs per day.

PHOTO: PRAN

Lack of good governance hinders market growth: DSE

STAR BUSINESS REPORT

The Dhaka Stock Exchange (DSE) has identified a lack of good governance, efficiency and transparency as key issues hindering its ability to effectively contribute to the development of Bangladesh's stock market.

In addition, the new board of directors of the country's premier bourse has pledged to address these problems and provide periodic updates on their progress.

DSE Chairman Mominul Islam made this announcement at a press briefing yesterday, stating that a time-bound reform plan will be published by February.

"The main challenges in the capital market are the lack of good governance, efficiency, accountability, and transparency," he said. "These issues also persist within the DSE itself," Islam added.

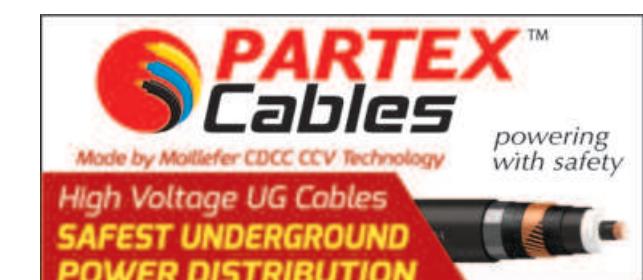
As a primary regulator, the DSE has failed to fulfill its proper role in most cases over the last 15 years. Now, the premier bourse is determined to lead a significant transformation of the domestic stock market.

Islam also criticized the Bangladesh Securities and Exchange Commission (BSEC) for not playing a supportive role in the market. Instead, he said, the regulator often acts like a market operator.

"The BSEC's most reckless decision was introducing the floor price mechanism, which adversely affected both local and foreign investors. Extending the tenure of closed-end mutual funds was another poor decision that eroded investor confidence," he said.

He pointed out that weaknesses in existing listing regulations allowed underperforming companies to go public, turning initial public offerings (IPOs) into tools for manipulation.

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STOCKS			
DSEX	CASPI		
0.18% 5,194.43	0.14% 14,459.97		
COMMODITIES			
Gold	Oil		
\$2,666.1 (per ounce)	\$76.13 (per barrel)		
ASIAN MARKETS			
MUMBAI 0.68% 77,620.21	TOKYO 0.94% 39,605.09	SINGAPORE 0.63% 3,862.60	SHANGHAI 0.58% 3,211.39

## Banks see rising deposits for higher interest rates

STAR BUSINESS REPORT

Bank deposits grew in the third quarter of 2024 as many people were encouraged by rising interest rates to park their money at commercial lenders.

In the July-September period of the previous calendar year, bank deposits rose 7 percent year-on-year to Tk 18.25 lakh crore, with bank branches in rural areas registering higher deposit growth compared to their urban counterparts.

The significant hike in interest rates was a key driver behind the growth in bank deposits, said Sved Mahbubur Rahman, managing director and chief executive of Mutual Trust Bank PLC.

Besides, banks have carried out a lot of campaigns to attract depositors, he added while informing that they expect the upturn of deposits to continue.

The weighted average interest rates on deposits rose to 5.88 percent in the July-September quarter last year from 4.55 percent during the same period of the previous year, according to data of the Bangladesh Bank.

But when comparing the April-June quarter, bank deposits declined by 0.73 percent year-on-year due to widespread unrest centring a mass movement that ousted the Awami League government on August 5.

Overall bank deposits stood at Tk 18.38 lakh crore by the end of last June.

Private commercial banks, including Islamic banks, constitute 68 percent of the total deposits at present.

However, the central bank data shows their deposits shrank 0.33 percent to Tk 12.58 lakh crore by the end of last September from Tk 12.62 lakh crore three months prior.

**In the July-September period of 2024, bank deposits rose 7 percent year-on-year to Tk 18.25 lakh crore**

The crisis-ridden Islamic banks recorded the steepest decline in deposits during the July-September period. Meanwhile, state banks closely followed even though both public and private banks saw deposit growth for about one year since the end of September 2023.

On the other hand, loans and advances maintained an uptick for four quarters ending with the July-September period of 2024.

Loans and advances increased by 10 percent year-on-year to Tk 16.19 lakh crore by the end of September last year.

Between June and September of 2024, loans and advances to bank borrowers grew by 1.43 percent mainly in urban areas.



**AK Azad re-elected chairman of Shahjalal Islami Bank**

STAR BUSINESS DESK

AK Azad has been re-elected as chairman of Shahjalal Islami Bank PLC at the bank's 389th board meeting on Wednesday.

Azad, a prominent industrialist and businessman in the country, is the managing director of Ha Meem Group and a former president of the Federation of Bangladesh Chambers of Commerce and Industry.

In the same meeting, Mohammed Younus and Mohiuddin Ahmed were re-elected as vice-chairmen of the bank, said a press release.

Of them, Younus, who is also a renowned industrialist and businessman, has a long experience of more than three decades in paper, IT, insurance, merchant bank, agriculture, rubber, fabrics and cold storage trade industries.

## Pubali Bank signs deal with DHL Express for green initiative

STAR BUSINESS DESK

Pubali Bank PLC has signed a partnership agreement with DHL Express Bangladesh to launch the "GoGreen Plus", a dedicated solution to help businesses reduce carbon emissions associated with their shipments through the use of Sustainable Aviation Fuel (SAF).

Mohammad Ali, managing director and CEO of the bank, and Md Miarul Haque, managing director of DHL Express Bangladesh, penned the deal at the bank's head office in the capital's Motijheel yesterday, said a press release.

This collaboration underscores both organisations' commitment to sustainable and environmentally responsible business practices, aiming to offset greenhouse gas emissions and contribute to a greener future.

The GoGreen Plus package will support Pubali Bank in advancing its net zero target by effectively mitigating its carbon footprint by utilising SAF for their shipments.



Md Miarul Haque, managing director of DHL Express Bangladesh, and Mohammad Ali, managing director and CEO of Pubali Bank, pose for photographs after signing an agreement at the bank's head office in the capital's Motijheel yesterday.

PHOTO: PUBLI BANK



Md Nurun Newaz Salim, chairman of NCC Bank, presides over the bank's 11th extraordinary general meeting, which was held virtually on Tuesday. PHOTO: NCC BANK

## Shranto, Sourav to compete in finale of 9th GSEA Bangladesh



Winners of the semifinal round of the "9th Global Student Entrepreneurs Awards" (GSEA) Bangladesh chapter pose for group photographs with other participants, judges, organisers of the competition and high officials of United Commercial Bank at Six Seasons Hotel in the capital recently.

PHOTO: UCB

STAR BUSINESS DESK

Muhammed Mohiuddin Sourav from the Institute of Business Administration at the University of Dhaka and Soumik Hasan Shranto of BRAC University have qualified for the grand finale of the "9th Global Student Entrepreneurs Awards (GSEA) Bangladesh chapter.

Powered by the Entrepreneurs' Organization (EO), the world's largest annual award programme of student entrepreneurs, the finale of the competition is scheduled to take place on January 19.

This year, EO Bangladesh, in collaboration with United Commercial Bank (UCB) PLC, hosted the competition nationwide and held the semi-final round at Six Seasons Hotel in the capital recently, said a press release.

A total of nine student entrepreneurs competed and presented their businesses in the GSEA Bangladesh chapter. They are Shawkat Osman Shishir from Bangladesh University of Engineering and Technology, Fahim Shahriar from Pundra University of Science and Technology, Zinan Isham and Md Shadid Al Hadi from North South University, Soumik Hasan Shranto

and Shanen Anne Gomes from BRAC University, Al Amin Mia from Green University of Bangladesh, Muhammin Haque Shoaib of IUI International University of Applied Science and Muhammed Mohiuddin Sourav from the Institute of Business Administration, the University of Dhaka.

In the competition, Shranto and Gomes presented their businesses "Dubotech and Rindco Leathers", Al Amin offered his business "Defensive Women", Shoaib presented his business "Watt Motors", and Sourav offered his business "Wastech", while Shishir presented his business "Cardicare", Shahriar offered his business "Romato", and Isham and Hadi presented their businesses "Oitijhno Express" and "Lumocity".

Amer Salim, director of Knit Asia Ltd and chair of GSEA Bangladesh and Hasnat Mosharraf, director of Standard Group and his co-chair, inaugurated the programme, where Leandro Gabardi, honorary consul of Bangladesh in Argentina, Shaon Tanvir, managing director and CEO of Satori Ltd, and Nawshaba Khan, managing director of Panama Sonamasjid Port Link Ltd, were present as the judges.



**Osman Faiz made AMD of Eastern Bank**

STAR BUSINESS DESK

Eastern Bank PLC (EBL) has appointed Osman Ershad Faiz as its additional managing director.

Prior to joining EBL, Faiz was the co-founder of Asia FiiT, an international banking and fintech consultancy headquartered in Singapore, said a press release.

In his career spanning 30 years, he worked with major global financial institutions in strategy, technology, operations, digital transformation, core banking and fintech.

He served as chief information and operating officer of AMTD Digital, managing director and chief operating officer of Standard Chartered Bank Singapore, and managing director and regional chief information officer of Eastern Hemisphere.

Besides, Faiz has experience in wholesale banking for Standard Chartered Bank and as head of operations for Permatex Bank in Indonesia and also served as a director of the Singapore Clearing House Association.

## Pran to invest Tk 600cr more in poultry

FROM PAGE B1

Currently, Bangladesh needs around 4.5 crore eggs per day, with production levels generally meeting this demand.

Small farmers produce nearly 80 percent of eggs and chickens, while large poultry corporations supply the remaining 20 percent, according to the Bangladesh Poultry Association, a platform of small poultry farmers and traders.

The association estimates that the production costs for small farmers are Tk 10.50-11.00 per egg and Tk 155-170 per kilogramme of chicken.

In contrast, large corporations benefit from economies of scale, reducing their production costs to Tk 8-9 per egg and Tk 130-140 per kilogramme of white meat.

The association alleges that these

large poultry companies exert undue influence on retail prices.

However, Naser Ahmed, executive director of Pran, denied these allegations regarding corporate influence.

He said that egg production in conventional farms often declines during extreme temperatures, leading to increased chicken mortality and supply shortages. This, in turn, drives up retail egg prices.

But, Pran's fully automated egg production facilities, equipped with temperature control and minimal manual handling, ensure consistent production throughout the year, according to Ahmed, making the process more cost-effective.

According to industry insiders, the annual per capita egg consumption in Bangladesh was 104 in 2020.

Currently, it stands at around 135, with projections indicating a further increase to around 160 by 2030.

Mamunur Rashid, chief operating officer for livestock at Pran, said that they are constructing a modern breeder farm and developing large-scale sheds for raising broiler chickens using cutting edge technology.

"The procurement of machinery is currently underway. Once we successfully complete these initiatives, nearly 2,000 jobs will be created," he said.

Currently, around 18 corporate houses are involved in the production of poultry feed, eggs, day old chicks and chickens.

Major local market players include Paragon Group, Kazi Farms, Diamond Egg Limited, CP Bangladesh, and Afif Group.

**Nazmus Saadat becomes acting MD of Social Islami Bank**

STAR BUSINESS DESK

Md Nazmus Saadat has taken charge as acting managing director of Social Islami Bank PLC.

Prior to his new role, Saadat was serving the bank as a deputy managing director, the bank said in a press release.

In 2014, he joined Social Islami Bank PLC and assumed key roles, including leading the investment risk management division and serving as manager of the principal branch.



**Md Nazmus Saadat**

## Refaul Karim elected chair of ICAB's Dhaka regional committee

STAR BUSINESS DESK

Mohammad Refaul Karim Chowdhury was elected as chairman of the Dhaka Regional Committee (DRC) of the Institute of Chartered Accountants of Bangladesh (ICAB), and Mahmudur Rahman as secretary, effective from January 1 this year.

Chowdhury is a fellow member of ICAB, IFA (UK), and IPA (Australia). A qualified Chartered Accountant since 2011, he is also a VAT consultant, Microsoft certified trainer, and certified financial modeler and valuation analyst, said a press release.



**Mohammad Refaul Karim Chowdhury**

## NCC Bank holds 11th EGM

STAR BUSINESS DESK

National Credit and Commerce (NCC) Bank PLC recently organised its 11th extraordinary general meeting (EGM).

Md Nurun Newaz Salim, chairman of the bank, presided over the meeting held virtually on Tuesday, said a press release.

In his speech, Salim said that on the basis of advice of the Bangladesh Bank, the bank made some amendments which were accepted by shareholders at the 11th EGM.

These are remarkable steps for NCC Bank, he said.

Through this, it will be easier to follow the instructions of the regulatory body as well as to manage the operational works of the bank, Salim added.



**DW & CE (NAVY)  
LALASORAI NABIK RESIDENTIAL AREA  
MIRPUR-14, DHAKA-1206  
INVITATION FOR**

Notice no. 418/BN//E-4/49

Dated: 31 December 2024

### MILITARY ENGINEER SERVICES

1. Ministry/Division	Ministry of Defence
2. Agency	Military Engineer Services
3. Procuring Entity Name	DW & CE (NAVY)
4. Procuring Entity District	Dhaka
5. Procurement Method	Open Tendering Method (OTM)
6. Budget and source of Funds	GOB
7. Development Partner (if applicable)	None
8. Project / Programme Name (if applicable)	<p>(a) Repair/Replacement and Augmentation of Filtration unit of area Swimming Pool including ancillary works under BNS Issa Khan, Chattogram.</p> <p>(b) Repair/Replacement and Renovation of LT/HT Electric Cable supply line and RCC cable drain including ancillary works under Repair/Maintenance for MES sub-station (Bldg No-48) at NHQ area Dhaka.</p> <p>(c) Repair/Renovation and Replacement of External Electric supply line from North side of Guard room DB to Gun Post-02 DB under Repair &amp; Maintenance works at BNS Nirvik, Chattogram.</p> <p>(d) Repair, Renewal &amp; Replacement of External Electric supply line including ancillary works from generator shed to Sub-station SM BK, Pump house &amp; Generator shed to Boat Repair shed at BNS Nirvik, Chattogram.</p> <p>(e) Repair/Replacement/Augmentation of 750 KVA Transformer and shore supply Box under Abnormal Repair for BN RRB area at BNS Issa Khan Ctg.</p> <p>(f) Repair/Replacement &amp; Renovation works of 4 lac litter capacity Fuel Reservoir under Abnormal Repair works at BNS Mongla (Digraj)</p> <p>(g) Repair/Replacement/Modification of Sub-station-01 under Repair &amp; Maintenance works at BNS Titumir, Khulna</p> <p>(h) Repair/Replacement of external water supply line including ancillary works for Bldg No-01, 02, 04, 05, 06, 07, 12, 14, 17, 18, 19, 20, 22, 23, 25, 26, 28, 29, 30, 31,33 and pump houses Repair &amp; Maintenance works at Nabik residential area under BNS Titumir, Khulna</p>
9. Selling of Tender will commence from	12 January 2025 (During Office hours)
10. Selling of Tender will close on	20 January 2025 (During Office hours)
11. Last date and time of submission of Tender	21 January 2025 at 1200 hours.
12. Date and time of opening of Tender	21 January 2025 at 1230 hours.
13. Name & Address of the Office (s)	<p>(1) Selling Tender Document DW &amp; CE (Navy) Dhaka</p> <p>(2) Receiving Tender Document -Do-</p> <p>(3) Opening Tender Document -Do-</p>
14. Eligibility of Tenderer	<p>a. For lot No. 'a', 'b', 'c', 'e', 'f', 'g', 'h' &amp; 'i' MES enlisted contractors of Class- 'E' &amp; 'D' only</p> <p>b. For lot No. 'd' MES enlisted contractors of Class- 'D' &amp; 'C' only</p> <p>c. Contractors enlisted with other Govt/Semi-Govt/Autonomous body or organization in similar category having security clearance from DGFI may apply.</p>
15. Brief Description of Works	
Lot No	Identification of Lot
a.	GE (Navy) South Ctg
b.	GE (Navy) Dhaka
c.	GE (Navy) North Ctg
d.	GE (Navy) North Ctg
e.	GE (Navy) South Ctg
f.	GE (Navy) Khulna
g.	GE (Navy) Khulna
h.	GE (Navy) Khulna
16. Name of Office Inviting Tender	DW & CE (NAVY)
17. Designation of Office Inviting Tender	DW & CE (NAVY)
18. Address of Office Inviting Tender	DW & CE (NAVY), Lalasorai Nabik Residential Area, Mirpur-14, Dhaka-1206
19. Contact details of Official Inviting Tender	SO-I, DW & CE (NAVY), Lalasorai Nabik Residential Area, Mirpur-14, Dhaka-1206 Telephone No : 9833986 e-mail : mesdwcenav@gmail.com
20. The procuring entity reserves the right to accept or reject any or all tenders	

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GD-102

MOHAMMAD SHAZZATH HOSSAIN  
Superintending Engineer  
SO-I  
For DW & CE (Navy)

# Restaurant owners threaten strike over VAT hike

## STAR BUSINESS REPORT

The Bangladesh Restaurant Owners Association (BROA) yesterday threatened to go for an indefinite strike if the interim government does not retract its decision to hike the value-added tax (VAT) on food bills in restaurants.

"We will first form a human chain. If the government remains unresponsive, restaurants across the country will be closed for a day as a token protest," said Imran Hasan, general secretary of the BROA.

"If it still does not work, restaurants will be shut down indefinitely as a final measure," he remarked.

The restaurant owners issued the warning during a press conference held at the Pan Pacific Sonargaon Dhaka hotel in the capital.

The warning comes in response to the interim government's recent move to hike VAT to a standard of 15 percent on 43 goods and services.

To date, the government advisory council has approved the hike, but the ordinance is yet to be officially published.



PHOTO: STAR

Hasan emphasised that the government's move to raise VAT from 5 percent to 15 percent, coupled with an existing 10 percent supplementary duty, would result in a cumulative 25 percent tax burden on consumers.

"Such a steep increase is unrealistic and burdensome, especially for the

general public," he added.

The restaurant sector, already grappling with a 30 to 40 percent decline in business due to prolonged high inflation, fears the increased tax burden will further erode consumer spending.

Hasan criticised the government's approach, arguing it disproportionately favours large businesses while ignoring the challenges faced by small entrepreneurs.

He noted that a prior reduction in VAT from 15 percent to 5 percent had resulted in a 19 percent increase in VAT collection, as reported by the National Board of Revenue (NBR) chairman.

"Reversing this policy could harm both businesses and revenue collection," he said.

The association expressed willingness to collaborate with the NBR to ensure comprehensive VAT registration across the sector.

"Still, nearly 70 percent of restaurants remain outside VAT coverage," said Hasan.

Currently, of the 525,000 VAT-registered entities, only 300,000 regularly contribute to the public coffers, according to the BROA.

## Oil prices little changed

### REUTERS

Oil prices were little changed on Thursday, with investors weighing firm winter fuel demand expectations against large builds of fuel inventories in the US, the world's biggest oil user, and macroeconomic concerns.

Brent crude futures fell 6 cents to \$76.1 a barrel by 0727 GMT. US West Texas Intermediate crude futures fell 5 cents to \$73.27. Both

benchmarks fell more than 1 percent on Wednesday as a stronger dollar and the bigger than expected rise in US fuel stockpiles weighed on prices.

"The oil market is still grappling with opposite forces - seasonal demand to support the bulls and macro data that supports a stronger US dollar in the medium term ... that can put a ceiling to prevent the bulls from advancing further," said OANDA senior market analyst Kelvin Wong.

## Govt has no Aladin's lamp

FROM PAGE BI  
as part of efforts to increase its supply in the market, he said.

The problem in the rice market is temporary and it is expected to be stabilised soon as the supply of rice will increase with the beginning of the next Boro season in April."

He acknowledged that the poor are facing difficulties because of a rise in the domestic prices of the staple food.

The prices will come down soon, as the food ministry is providing 50 lakh families with 30 kilogrammes of rice each and state-owned Trading Corporation of Bangladesh will start selling the item at a lower rate to 63 lakh smart cardholder families from this week, he said.

The interim government has revised the smart card numbers as

large-scale corruption and duplication took place when the previous government prepared the earlier one crore cards, he said.

Moreover, the government plans to issue 37 lakh additional smart cards, said the adviser.

Bashir Uddin made the comments while talking to journalists after a meeting with Turkish Trade Minister Omer Bolat at the commerce ministry.

The adviser said Bangladesh and Turkey will hold joint economic commission meetings to discuss bilateral trade and investment potential.

Bangladesh exported goods worth \$500 million to Turkey last year when the import figure stood at \$450 million, he said.

## Major trade bodies miss election deadline

### FROM PAGE BI

Anwar Hossain, the BGMEA administrator appointed on 20 October last year.

Hossain urged BGMEA members to submit their documents by 31 January this year to help make a genuine voter list.

The BGMEA administrator also called a meeting of garment manufacturers and exporters on Saturday at the BGMEA office to discuss the overall situation in the garment sector and election-related issues with members.

He said that genuine businessmen will have to submit their tax return certificates, updated trade licences and a few other documents to qualify as eligible voters for the election.

Regarding the elections within the 90 day timeframe, Hossain said that he would proceed with the election schedule as soon as the commerce ministry approves the necessary amendments.

"These amendments are vital for a genuine voter list, so the 90 day provision does not matter a lot in this case," he added.

In the last BGMEA election held on 9 March last year, a panel leader of the Forum panel demanded that the election board cancel the preliminary voter list and publish a new one, as

"It will be done in due process," Khan told The Daily Star over the phone. "And elections will take place after the amendment."

He urged the market regulator to abandon this trend and independently make decisions using its legal powers.

## Lack of good governance

### FROM PAGE BI

Regarding the high number of market intermediaries, Islam said this has made their business more challenging and created difficulties for the regulator in monitoring them. To address this, the new DSE board will not issue any new Trading Right Entitlement Certificates (TRECs). At the same time, they may consider encouraging mergers and acquisitions.

The DSE chairman also outlined several initiatives, including redesigning the DSE website, digitizing the IPO process, introducing unedited back office software, conducting IT security audits, enabling digital public monitoring of listed firms' financial reports, and upgrading the DSE trading platform.

AKM Habibur Rahman, chairman of the Chittagong Stock Exchange, stated that the BSEC is not interfering with their activities and instead allows the country's bourses to work independently.

Saiful Islam, president of the DSE Brokers Association, said the BSEC was established to regulate and monitor the stock market. However, in recent times, it has been relying on the Financial Institutions Division to make decisions on many issues.

He urged the market regulator to abandon this trend and independently make decisions using its legal powers.

He also requested that the BSEC form a fact-finding committee to identify instances of fraud in the market over the past 15 years.

Minhaz Mannan Emon and Shakil Rizvi, directors of the DSE, also spoke at the event. Other attendees included DSE directors Mohammad Shahjahan and Richard D'Rozario, and Acting Managing Director AGM Sattique Ahmed Shah.

## Reserves drop to \$20b

### FROM PAGE BI

sharp decline in forex reserves, particularly since the end of the Awami League-led government's regime on August 5, due to a growing trend in remittance inflows in recent months.

In December last year, Bangladesh received a record \$2.64 billion in remittances, the highest monthly remittance inflow in the country's history.

The country's reserves had peaked at a record high of \$48 billion (as per central bank calculations) in August 2021 during the Covid-19 pandemic, when imports and economic activity were largely subdued.

However, in the post-pandemic period, reserves began to decline gradually, driven by higher import bills.

<p><b>Jalalabad Gas Transmission &amp; Distribution System Ltd.</b> (A Company of Petrobangla) (Gas Bhaban, Mendibag, Sylhet-3100)</p>																																																	
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<p><b>Government of the People's Republic of Bangladesh</b> <b>Bangladesh Road Transport Authority (BRTA)</b> BRTA Bhaban, New Airport Road, Banani, Dhaka-1212. <a href="http://www.brt.gov.bd">www.brt.gov.bd</a></p>	
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## e-Tender Notice : OTM

Date: 7 January 2025

Ref No: 35.03.0000.003.08.048.24-40

e-Tender has been invited in e-GP system national portal (<http://www.eprocure.gov.bd>) for the procurement of the following goods and related services by Director (Engineering), Bangladesh Road Transport Authority (BRTA), BRTA Bhaban, New Airport Road, Banani, Dhaka-1212.

SL No	Tender ID	Description	Tender Publication date & Time	Tender Document Last Selling date & time	Tender Closing/Opening date & time
01	1060175	Supply of Tax Token Form for BRTA	08-01-2025 09:00 Hours (BST)	22-01-2025 16:00 Hours (BST)	23-01-2025 15:00 Hours (BST)
02	1060176	Supply, Installation, Commissioning & Integration of UHF Radio Frequency Identification (RFID) Desktop Writer for BRTA	08-01-2025 09:00 Hours (BST)	22-01-2025 16:00 Hours (BST)	23-01-2025 15:30 Hours (BST)

This are online tenders where only e-Tenders will be accepted in national e-GP portal system (<http://www.eprocure.gov.bd>). No offline/hard copies will be accepted. To submit e-tender please register on e-GP Portal. Information and guidelines are available in the national e-GP system portal and from e-GP helpdesk (helpdesk@eprocure.gov.bd).

For further information, visit: [https://www.eprocure.gov.bd](http://www.eprocure.gov.bd)

## Gold near four-week peak

REUTERS

Gold prices hovered near a four-week peak on Thursday, while focus shifted to jobs report due on Friday for clarity on the Federal Reserve's 2025 interest rate path.

Spot gold edged 0.1 percent higher to \$2,664.30 per ounce, as of 0732 GMT. US gold futures rose 0.4 percent to \$2,681.80.

"Prices are trading in a narrow range ... A new trigger is needed for gold to breach its resistance," said Ajay Kedia, director at Kedia Commodities in Mumbai.

The bullion hit a near four-week high in the previous session after a weaker-than-expected US private employment report hinted that the Fed may be less cautious about easing rates this year.

The market now awaits US jobs report on Friday for more cues on the Fed's policy path.

Investors are also awaiting Donald Trump to take office on Jan. 20 and his proposed tariffs and protectionist policies are expected to fuel inflation.

Policymakers at the Fed's last meeting also "noted that recent higher-than-expected readings on inflation, and the effects of potential changes in trade and immigration policy, suggested that the process could take longer than previously anticipated," the minutes showed on Wednesday.

Bullion is considered an inflationary hedge, but high rates reduce the non-yielding asset's allure.

Sitangshu Shekhar Biswas  
Director (Engineering)  
Phone : 02-55040716  
E-mail : de@brta.gov.bd

# Novoair's fleet expansion stalled by lack of leasable aircraft

RASHIDUL HASAN

Despite plans to expand its fleet and international network, Novoair, a private airline in Bangladesh, has been unable to do so due to a global shortage of aircraft available for lease.

Since May last year, the airline has been working to lease three aircraft as part of its plan to expand its international routes to six destinations, according to Novoair Managing Director Mofizur Rahman.

Speaking to The Daily Star at his office in Dhaka yesterday, Rahman explained that the airline has been trying to expand its fleet with narrow-body aircraft.

Novoair celebrated its 12th anniversary yesterday, marking a significant milestone in its operations. Reflecting on the occasion, Rahman discussed the airline's challenges.

"While reaching 12 years of operation is an achievement, we have not yet fulfilled the expectations I had as managing director. Our fleet size and the number of international destinations should have been larger by now," he said. "I take full responsibility for not meeting these goals."

The managing director elaborated on the airline's fleet expansion strategy, stating that their original business plan was to expand the fleet with Airbus A321 aircraft.

"But due to the unavailability of this type, we revised our plan to add Airbus A320s instead. However, we still haven't been able to secure these aircraft for more than six months."

He continued, "We then considered leasing Boeing 737s, but the global shortage of these aircraft has also hindered our efforts. Despite the challenges, we have continued our search



Mofizur Rahman

since May last year."

Novoair also explored leasing aircraft through the ACMI (Aircraft, Crew, Maintenance, and Insurance) model, where one airline leases aircraft with a full crew and maintenance to another airline. However, Rahman pointed out the limitations of this approach.

"We realized that ACMI leasing is not commercially viable. Lessors are unwilling to provide aircraft for more than six months, and Civil Aviation Authority regulations also restrict the operation of leased aircraft under the ACMI model for more than six months."

He also noted the difficulties in securing leases due to competition from larger airlines.

"When an aircraft becomes available for lease, major airlines tend to grab it

quickly, leaving lessors less willing to lease to smaller airlines," Rahman explained.

Prior to August, lessors were also concerned about Bangladeshi airlines' ability to make payments in foreign currency due to the country's US dollar shortage.

"They raised questions about how we would be able to make payments," Rahman said.

Looking ahead, Rahman estimates that it could take over a year to acquire the necessary aircraft to expand Novoair's fleet.

"Our initial plan is to add three aircraft. We are also working on upgrading our existing ATR 500s to ATR 600s. However, the availability of spare parts for ATR aircraft is a challenge, which impacts the operational efficiency of our existing fleet."

Novoair is also working on expanding its international network, with plans to launch services to six new destinations: Bangkok, Kuala Lumpur, Singapore, Dubai, Sharjah, and Muscat.

Since its inception, Novoair has invested more than \$50 million in aircraft acquisition and an additional \$10 million in infrastructure and support equipment. Before the COVID-19 pandemic, the airline was on a profitable trajectory. However, the pandemic caused significant losses, and ongoing price escalations due to the Russia-Ukraine war have continued to affect profitability. Additionally, the shrinking domestic market and reduced demand have compounded the challenges.

Novoair remains committed to investing between \$25 million and \$30 million in its expansion in the coming years.

"Our business philosophy prioritizes on-time flight operations and passenger safety above all else," Rahman said. "Novoair is dedicated to providing safe, timely, and high-quality service to its passengers."

Currently, Novoair operates daily domestic flights connecting Dhaka to Chattogram, Cox's Bazar, Sylhet, Jashore, Saidpur, and Rajshahi. While international flights to Kolkata are temporarily suspended, the airline plans to resume them soon.

Since launching its operations on January 9, 2013, with flights between Dhaka and Chattogram, Novoair has completed over 100,000 flights and served more than 7.5 million passengers.

The airline has received several accolades, including the titles of Best Domestic Airline in 2014 and 2019, and Best On-time Performance Airline in 2022 and 2023, awarded by The Bangladesh Monitor.

## Feud over container handling rates disrupts Ctg port operations

DWAIPAYAN BARUA

Container handling at six jetties of Chattogram port has slowed recently due to berth operators' non-cooperation in completing essential documentation.

The disruption stems from a long-standing conflict between shipping agents and berth operators over raising onboard container handling charges.

These berth operators have been managing the six container jetties at the port's oldest terminal since 2007, the General Cargo Berth (GCB), where geared vessels are handled.

Shipping agents currently pay Tk 559.53 per container as onboard container handling charge to these operators for loading and unloading activities.

Berth operators have proposed raising this fee for months, a move opposed by the shipping agents.

Syed Mohammad Arif, chairman of the Bangladesh Shipping Agents Association (BSAA), termed the proposed hike "illogical" in a letter to the member for harbour of the Chittagong Port Authority (CPA) on December 19 last year.

The situation escalated on January 4, when berth operators reportedly began non-cooperation in documentation processes, coinciding with the berthing of two vessels, MV San Pedro and MV JT Glory, at the GCB.



Local shipping agents for these vessels alleged that berth operators stopped sending export loading plans to private off docks, processing import discharge and export permissions from the CPA's shipping section.

These actions disrupted operational activities, as off docks require export loading schedules to send containers to vessels.

Subsequently, several other vessels reportedly faced similar issues.

Berth operators issued letters to shipping agents and vessel operators on January 6, demanding a \$5 increase in the current onboard handling rate per container.

Fazle Ekram Chowdhury, president of the Berth Operators, Ship Handling Operators, and Terminal Operators' Owners' Association, defended the fee hike proposal, adding that berth operators had not increased the rate since 2007, despite rising operational costs, wages, and other expenses.

He also said that while document processing is not part of the berth operators' official responsibilities, they have been performing these tasks for years on behalf of the shipping agents.

Ekram denied allegations of operational disruptions, saying that vessel handling operations continued smoothly and that berth operators were extending their usual services.

However, shipping agents claim otherwise. They said they had deployed their staff to handle documentation processes amid the non-cooperation.

Bangladesh Shipping Agents Association (BSAA) Chairman Syed Mohammad Arif said berth operators have been increasing charges annually by 10 percent since 2016 on 40 percent of the total onboard handling charge.

## EU imposed unfair trade barriers on Chinese firms

Beijing says

AFP, Beijing

China said Thursday that an investigation had found the European Union imposed unfair "trade and investment barriers" on Beijing, marking the latest salvo in long-running commercial tensions between the two economic powers.

Officials announced the probe in July after Brussels began looking into whether Chinese government subsidies were undermining European competition.

Beijing has consistently denied its industrial policies are unfair and has threatened to take action against the EU to protect Chinese companies' legal rights and interests

However, it did not mention whether Beijing planned to take action in response.

The two are major trade partners but are locked in a wide-ranging stand-off, notably over Beijing's support for its renewables and electric vehicle sectors.

EU actions against Chinese firms have come as the 27-nation bloc seeks to expand renewable energy use to meet its target of net-zero greenhouse gas emissions by 2050. But Brussels also wants to pivot away from what it views as an overreliance on Chinese technology at a time when many Western governments increasingly consider Beijing a potential national security threat.

When announcing the probe the ministry said its national chamber of commerce for importing and exporting machinery and electronics had filed a complaint against the FSR measures.

**Beijing has consistently denied its industrial policies are unfair and has threatened to take action against the EU to protect Chinese companies' legal rights and interests**

The 20-page document detailing the ministry's conclusions said their "selective enforcement" resulted in "Chinese products being treated more unfavourably during the process of export to the EU than products from third countries".

It added that the FSR had "vague" criteria for investigating foreign subsidies, placed a "severe burden" on the targeted companies and had opaque procedures that created "huge uncertainty".

EU measures such as surprise inspections "clearly exceeded the necessary limits", while investigators were "subjective and arbitrary" on issues like market distortion, according to the ministry.

Companies deemed not to have complied with probes also faced "severe penalties", which placed "huge pressure" on Chinese firms, it said.

The ministry said FSR investigations had forced Chinese companies to abandon or curtail projects, causing losses of more than 15 billion yuan (\$2.05 billion).

The measures had "damaged the competitiveness of Chinese enterprises and products in the EU market", it said, adding that they also hindered the development of European national economies and undermined trade cooperation between Beijing and Brussels.

The EU's first probe under the FSR in February targeted a subsidiary of Chinese rail giant CRRC, but closed after the company withdrew from a tender in Bulgaria to supply electric trains.

A second probe targets Chinese-owned solar panel manufacturers seeking to build and operate a photovoltaic park in Romania, partly financed by European funds.

In October, Brussels imposed extra tariffs on Chinese-made electric cars after an anti-subsidy investigation under a different set of rules concluded Beijing's state support was unfairly undercutting European automakers.

China emerged from a four-month

period of deflation in February, a month after suffering the sharpest fall in prices for 14 years.

While deflation suggests the cost of goods is falling, it poses a threat to the broader economy as consumers tend

to postpone purchases under such conditions, hoping for further reductions.

A lack of demand can then force companies to cut production, freeze hiring or lay off workers, while potentially also having to discount existing stocks

-- dampening profitability even as costs remain the same.

"Recent economic data stabilised but the momentum is not strong enough to generate upward pressure on consumer prices yet," Zhiwei Zhang, chief economist at Pinpoint Asset Management, said in a note.

"The deflationary pressure is persistent," he said.

Low inflation may lead to an increase of real interest rates, said Yue Su, Principal Economist at The Economist Intelligence Unit.

"So monetary easing policy needs to be more proactive to really reduce the borrowing cost of enterprises, which is important for a broad recovery of the economy," she told AFP.

President Xi Jinping said last week that the country's economy is expected to have grown about five percent last year, in line with Beijing's official target.

Other projections suggest China's economy came slightly short of that goal, with the International Monetary Fund predicting growth of 4.8 percent last year.

The IMF has forecast overall economic growth in China will slow to 4.5 percent this year. China is expected to release its growth data for 2024 next week.

China narrowly avoided slipping into deflation in December with prices rising at their slowest pace in nine months, official figures showed Thursday, as Beijing struggles to kickstart consumer activity in the world's number two economy.

The tepid reading comes after the government unveiled a range of measures at the end of last year aimed at boosting consumption as well as providing support for the troubled property sector, including interest rate cuts.

However, data showed that has not yet filtered through, with the consumer price index (CPI), a key measure of inflation, easing to 0.1 percent last month, from 0.2 percent in November, according to the National Bureau of Statistics (NBS). The reading is the lowest since March.

A survey of economists had forecast 0.1 percent.

For the whole of 2024 prices were up 0.2 percent, the same as the previous year.

Sluggish spending -- combined with persistent woes in the property sector and local government financing strains -- has cast doubt on the feasibility of official growth targets.

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-- dampening profitability even as costs remain the same.

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"The deflationary pressure is persistent," he said.

Low inflation may lead to an increase of real interest rates, said Yue Su, Principal Economist at The Economist Intelligence Unit.

"So monetary easing policy needs to be more proactive to really reduce the borrowing cost of enterprises, which is important for a broad recovery of the economy," she told AFP.

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Other projections suggest China's economy came slightly short of that goal, with the International Monetary Fund predicting growth of 4.8 percent last year.

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