



PHOTO: ANISUR RAHMAN

Visitors have been flocking to the Dhaka International Trade Fair 2025 in Purbachal to check out the offering of foreign goods, including showpieces, ornaments, chandeliers, bracelets, bangles and much more. The month-long fair is witnessing an overwhelming response from crowds as it enters its final week. The photo was taken yesterday.

# Kamalapur ICD looking for fresh operator

Tender floated as previous contract with Saif Powertec ends next month

DWAIPAYAN BARUA, Ctg

The Chittagong Port Authority (CPA) intends to appoint an operator for five years to handle containers and cargo at the Kamalapur Inland Container Depot (ICD) in Dhaka.

Last week, the CPA floated a tender inviting bids from interested firms to operate the ICD using their own equipment.

The authorities of the country's largest seaport began seeking a new operator as the existing contract with Saif Powertec Ltd, which has been managing the ICD for the past 10 years, is set to expire next month.

The inland container depot, located on land belonging to Bangladesh Railway (BR), is managed by the CPA for handling containers transported to and from the Chattogram port via rail.

The previous agreement for managing the ICD on BR's land was for 10 years. However, the railway recently signed a new contract for the ICD with a shorter



tenure of five years, according to CPA Director for Traffic Enamul Karim. He declined to disclose further details.

According to the tender, the selected contractor will be responsible for loading and unloading containers from trains. The

contractor will also handle appraisalment, the delivery of containerized cargo, and the transfer of empty containers to designated areas.

Additionally, the operator will be tasked with ensuring the stuffing of

export containers at the ICD.

CPA sources revealed that the government is building landing stations for Dhaka Metro Rail passengers on a portion of the Kamalapur ICD land, reducing the available area of the depot.

Given this situation, the government plans to relocate the ICD to a new location. As a result, the operator's tenure at the Kamalapur ICD has been shortened, according to a CPA official.

Approximately 70 percent of the containers handled by the CPA either originate in Dhaka or are destined for the capital city, which is surrounded by numerous export-oriented factories.

However, Bangladesh Railway can transport only a limited volume of containers due to the handling capacity constraints of the Kamalapur ICD.

In 2023, the ICD handled over 80,000 TEUs (twenty-foot equivalent units) of containers, which accounted for just 2.44 percent of the total 3.275 million TEUs handled by the Chattogram port.

## Renata's sales grow 12%, but profit plunges

STAR BUSINESS REPORT

Renata PLC's sales grew in the first half of fiscal 2024-25, driven by strong revenue growth in pharmaceuticals.

However, the drugmaker's profits declined sharply due to higher wages, increased depreciation of the local currency, and rising interest costs.

The listed drugmaker's sales rose 12 percent year-on-year to Tk 2,086 crore during the July to December period of the 2024-25 fiscal year.

Its profits plunged 35 percent year-on-year to Tk 124 crore in the first half of the fiscal year, according to the company's financial statement.

The sales and profit trends remained consistent in the second quarter, as revenue grew 16 percent, fuelled by higher sales in pharmaceuticals, animal health, exports, and contributions from subsidiaries.

However, the company's quarterly profits dropped 27 percent year-on-year to Tk 64 crore.

Renata reported 18 percent export growth and 24 percent growth in the animal health segment in the second quarter.

The company attributed its profit decline to increased finance costs, driven by local currency devaluation against the US dollar, particularly in December 2024.

Its finance costs surged 39 percent year-on-year to Tk 78 crore in the first half due to higher debt, increased interest rates, and foreign exchange losses.

Renata's wage costs rose significantly following increments in January 2024, higher headcounts, and increased payments to casual and contractual workers in September 2024 after worker unrest in August.

Depreciation expenses also climbed as new capacity expansions were completed, alongside higher investment in product development and maintenance, as per the financial statement.

Renata released its financial results yesterday, and its stock price fell 1 percent to Tk 579 on Thursday at the Dhaka Stock Exchange.

STOCKS			WEEK-ON WEEK
DSEX	CASPI		
0.64%	0.68%		
5,133.92	14,449.05		

COMMODITIES			AS OF FRIDAY
Gold	Oil		
\$2,771.73	\$74.61		
(per ounce)	(per barrel)		

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
0.43%	0.07%	0.06%	0.70%	
76,190.46	39,931.98	3,804.26	3,252.63	

## Defer LDC graduation

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On the political front, Chowdhury expressed disappointment over a lack of focus on economic issues.

"The government and political parties have overlooked pressing economic issues and the challenges faced by businesses, diverting their attention to less critical priorities," he claimed.

He also urged the interim government to expedite the electoral process to stabilise the political climate.

Chowdhury pointed to recent statements by Bangladesh Bank Governor Ahsan H Mansur and Finance Adviser Salehuddin Ahmed downplaying the impacts of rising interest rates and VAT hikes, labelling them as "misleading".

He criticised the government's decision to increase reliance on VAT hikes instead of expanding the tax net.

"Such measures are creating confusion among industrial

entrepreneurs, who are already grappling with rising costs and operational uncertainties," he said.

Chowdhury also raised concerns about branding entrepreneurs as classified or defaulters without considering the systemic challenges they face.

"The burden of banking irregularities caused by a few individuals or groups is being unfairly placed on the shoulders of all entrepreneurs. Many defaulters are victims of rising operational costs and adverse conditions," he said.

Calling for the introduction of bankruptcy laws, Chowdhury added, "If the government fails to provide protection, entrepreneurs will be forced to shut down their businesses. This gap in legal infrastructure must be urgently addressed."

BCI Senior Vice President Priti Chakraborty and directors Shahidul Islam, Delowar Hossain, S M Shah Alam, and Zia Hayder were present.

## Clients struggle to retrieve funds

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However, this is not just a one-off case.

There are a lot of investors who have seen their shares sold off and had their funds embezzled by the brokerage house. Many of them are preparing to stage demonstrations in front of the DSE, seeking the return of their funds.

Boni Amin, a lawyer, opened a BO account four to five years back. His account contained some shares along with Tk 223,000 in funds.

Upon reading news reports about the brokerage house's embezzlement, Amin transferred his shares to another brokerage. However, the brokerage has not been returning his funds for months.

Last year, the DSE identified a Tk 68.58 crore shortfall in Moshior

Securities' consolidated customers' account.

After detecting the deficit, the Bangladesh Securities and Exchange Commission (BSEC) imposed travel bans on the managing director, directors, and CEO of the securities house.

Along with this, it was barred from trading shares.

This issue should be resolved soon and investors' funds will be returned in order to bring back their confidence, said Saiful Islam, president of the DSE Brokers Association of Bangladesh.

An investigation is necessary to identify when the shortfall started to arise and how it deteriorated to such an extent, he added.

"This brokerage house needed at least 10 years to generate a such a big shortfall. What was the role of the

stock exchange?" he asked.

He said he had heard that there was a shortfall of Tk 68 crore. However, share prices were higher earlier and anything sold in the past must have yielded higher proceeds. So, the shortfall could be much higher, he said.

The DSE and the BSEC should have filed criminal cases over several such incidents. However, no such initiative has been seen, he said.

A mid-level official of the DSE informed that the brokerage house had sought time to refund investor.

But so far, few have been reimbursed.

If it fails to reimburse investors, the DSE has only one option, which is to sell the brokerage's membership and distribute the proceeds among investors, he added.

## Waning foreign investment

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rooted problems such as structural inefficiencies, external shocks and policy gaps, which come about as there is a lack of coordination between regulatory bodies such as Bangladesh Bank, the National Board of Revenue, and ministries.

"Policy inconsistencies and bureaucratic hurdles significantly amplify investment risks," noted Rupali Chowdhury, a former FICCI president. She urged the government to ensure alignment among institutional policies to regain investor trust.

Professor Selim Raihan, executive director of the South Asian Network on Economic Modeling, characterised the current investment climate as hostile to FDI due to policy uncertainty.

He noted that frequent ad-hoc changes to policies, particularly those related to import duties and taxes, deter both existing and potential investors.

"There are lucrative policies on paper, but a lack of implementation undermines their effectiveness," Raihan added. He emphasised that macroeconomic stability and consistent policies are essential for any significant improvement in FDI inflow.

Raihan also highlighted that FDI inflows are often seen as an indicator of economic health.

Al Mamun Mridha, joint secretary general of the Bangladesh China Chamber of Commerce and Industry, said the prevailing unstable political situation is the primary reason for the decline in FDI.

He added that rising interest rates and the shortage of gas supplies to industries was another deterrent. "Investors monitor everything before making an investment. So, in this moment of crisis, no one will feel interested in investing here."

He also pointed out that the cost of doing business in Bangladesh is higher than in many other countries,

BSEC Spokesperson Mohammad Rezaul Karim told The Daily Star that there were many investors impacted by the embezzlement and the regulator was receiving associated complaints almost every day.

The stock market regulator has already directed its law department to provide a report outlining the legal steps that the BSEC can take regarding this issue, he said.

The brokerage house does not have enough assets to reimburse all the investors. So, the BSEC is searching for personal properties that can be seized legally, he added.

Moshihor Rahman, managing director of the brokerage, told The Daily Star that he was ill and had not gone to the office for the past year, so he did not know anything about the embezzlement.

despite relatively low labor costs, discouraging FDI.

Zaved Akhtar, president of the Foreign Investors' Chamber of Commerce and Industry, said earlier that political stability is paramount for any form of investment, adding that a lack thereof had created a palpable sense of hesitation among foreign investors.

Without stability, foreign investors hesitate due to risks like currency depreciation, sudden regulatory shifts, and an unstable business environment.

Ultimately, if political and economic uncertainties are not addressed quickly, Bangladesh may lose its competitive advantage in attracting global investment. This could harm the country's long-term economic goals and growth.

However, the recent decline in FDI should not be swept under the cloud of political uncertainty. It should serve as a wake-up call for policymakers.

## Fragrant rice

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highest levels of government. However, there has been no indication of such a decision so far," he added.

### EXPORT OF AROMATIC RICE

As per data from the Export Promotion Bureau (EPB), export earnings from aromatic rice amounted to \$2.88 million in the fiscal year 2019-20 before decreasing to \$2.06 million in the next year.

In the fiscal year 2021-22, \$1.07 million worth of aromatic rice was exported, but exports were halted in the following fiscal year, 2022-23, amid a ban.

In the fiscal year 2023-24, exports amounted to just \$0.06 million.

The EPB reports also showed that no aromatic rice has been exported as of December in the fiscal year 2024-25.

**AROMATIC RICE IMPORT HALTED FOR TWO YEARS**

No aromatic rice was imported by Bangladesh in the fiscals 2023-24 and 2024-25, according to a document of the food ministry.

However, imports totalled 2.61 tonnes in the fiscal year 2022-23, 37.76 tonnes in the fiscal year 2021-22, and 54.14 tonnes in the fiscal year 2020-21, the document showed.

### IMPORTS OF LONG-GRAIN BASMATI RICE DECLINE

The food ministry document also showed that in the fiscal year 2020-21, imports of long grain basmati rice totalled 1,891 tonnes before rising to 6,334 tonnes in the fiscal year that followed.

The figure increased to 7,712 tonnes in the fiscal year 2022-23.

However, imports decreased to 4,615 tonnes in the fiscal year 2023-24 before dropping to just 799 tonnes in the fiscal year 2024-25.