

Star BUSINESS



Chief Adviser Prof Muhammad Yunus speaks at the 9th Social Business Youth Summit at the InterContinental Dhaka yesterday. PHOTO: PID

Yunus calls for youth-led change through social business

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Social businesses are designed to address societal needs rather than generate personal profit, Chief Adviser Professor Muhammad Yunus said yesterday.

"Making others happy is a higher form of happiness," Yunus said, reflecting on the philosophy that drives social business.

While addressing the 9th Social Business Youth Summit at the InterContinental Dhaka hotel, Yunus highlighted how the Covid-19 pandemic had further exposed flaws in traditional business models and urged the world not to return to the old system.

"We have an opportunity to build a new engine — one that drives a more sustainable and equitable world," he said.

Yunus reiterated the importance of imagination and action in achieving change.

"This is our mission: to create a new world. And we are committed to making it happen, step by step," he said, urging everyone in the room to continue moving forward and building the future they imagine.

"We can reshape the entire world within just a few years — with the people gathered in this very room. This is not a difficult task," said Yunus, who is renowned for his pioneering work in social business and microfinance.

He made these comments at the summit, which gathered representatives from 25 countries, serving as a platform to highlight the importance of youth-led change and innovation.

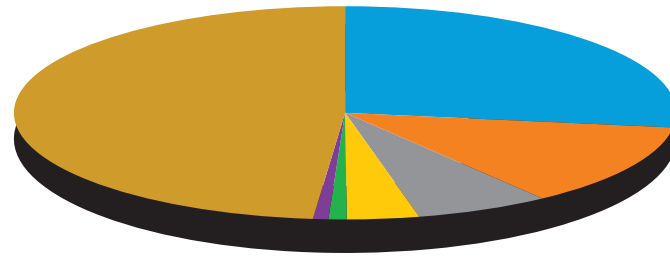
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Safety net schemes fall short in the fight against poverty

Finds government taskforce

MAJORSCHMESUNDERSAFETYNET

Allocation in crore taka; In FY25 budget
SOURCE: TASKFORCE



Pension for govt employees	36,580
Agricultural subsidy	17,000
Interest of savings certificates	8,828
Honorarium for freedom fighters	4,728
Free textbook distribution among students	1,195
Housing for insolvent freedom fighters	1,004
Allocation for other 132 schemes	66,692

REJAUL KARIM BYRON and AHSAN HABIB

Social safety net programmes, such as Open Market Sales (OMS) and Vulnerable Group Feeding (VGF), provided less help to the actual poor, despite the government boasting about the impact of those schemes on reducing moderate and extreme poverty, according to a taskforce report.

The impact of those programmes was low because of an unclear focus, low benefits, and persistent targeting errors, the report, submitted to the interim government last week, said.

Using the 2022 Household Income and Expenditure Survey (HIES), the report estimated that social protection programmes contributed to reducing extreme poverty by only 0.6 percentage points and moderate poverty by 0.8 percentage points between 2010 and 2022.

"Most schemes fail to align with the core objective of addressing poverty, and the absence of robust income support measures leaves a critical gap in tackling both moderate and extreme poverty," it said.

Between 2010 and 2022, the poverty rate declined from 31.5 percent in 2010 to 18.7 percent in 2022, an average annual decline

of 1.07 percentage points, according to the Bangladesh Bureau of Statistics (BBS).

Over the same period, extreme poverty followed a similar trajectory, dropping from 17.6 percent to 5.6 percent, an average annual decline of 1 percentage point.

The number of people in poverty declined from 4.54 crore in 2010 to 3.09 crore in 2022, while the corresponding fall in extreme poverty is estimated to have been from 2.53 crore to only 93 lakh, BBS data showed.

These outcomes could improve significantly if inclusion errors were corrected and resources reallocated to poor households, said the taskforce, which was formed on September 10 last year.

It was established to develop strategies to boost the economy and mobilise resources for equitable and sustainable development.

Those adjustments to poverty alleviation schemes, the report said, could increase the reduction in extreme poverty to 1.3 percentage points and moderate poverty to 2.5 percentage points.

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Islamic banks see fluctuations in deposits

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Deposits in Islamic banks in Bangladesh have shown fluctuations in recent months, according to the latest data from the Bangladesh Bank.

Islamic banking deposits, which peaked at Tk 440,427 crore in June 2024, have declined in subsequent months, reaching Tk 432,937 crore in October — a 0.31 percent drop from September.

Despite a brief increase in September, when deposits rose by 0.57 percent, the overall trend suggests a slowdown in deposit growth.

A breakdown of the data reveals that full-fledged Islamic banks hold the majority of deposits, standing at Tk 386,314 crore in October, followed by Islamic banking branches of conventional banks with Tk 27,438 crore and Islamic banking windows with Tk 19,184 crore.

Deposits in Islamic banking windows saw the highest growth among segments, increasing by 3.55 percent in October.

Islamic banking, which operates on interest-free principles, accounts for approximately 23.10 percent of total banking deposits in Bangladesh. The sector has expanded significantly in recent years, with conventional banks also offering Islamic banking services.

In addition to deposits, investments in Islamic banking have followed an upward trend, reaching Tk 518,438 crore in October, marking a 0.29 percent rise from September.

Investment growth in the sector has been supported by demand for Shariah-compliant financial instruments, including Murabaha and Ijarah-based financing.

The Bangladesh Bank has introduced measures such as the Islamic Bank Liquidity Facility (IBLF) and the Mudarabah Liquidity Support (MLS) to ease liquidity pressures in the sector.

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NBR panel suggests e-invoicing for VAT

The move will establish transparency in indirect tax collection

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A panel of the NBR has suggested the introduction of an e-invoicing system to collect value-added tax (VAT) to establish transparency in the collection of the indirect tax, the biggest source of revenue for the state.

"The introduction of digital invoices will help the revenue authority and businesses go paperless," said the panel in a report submitted to the chairman of the National Board of Revenue (NBR) last week.

"This will enable the establishment of an integrated and transparent platform," it said.

The implementation of an automated chalan will save time and reduce the scope of human errors. It will also curb fraud in VAT collection and misreporting, the report stated.

The revenue administration, which collects 86 percent of total revenue,



formed the 13-member committee at the end of October last year.

It was aimed at strengthening the automation process of the NBR and formulate integrated plans for customs and VAT, which together account for nearly 70 percent of total taxes.

The committee noted that the three wings of the NBR—income tax, VAT, and customs—have separate automated systems. However, the data centres for



PHOTO: STAR/FILE

People shop at a clothing store in Dhaka. The implementation of an automated chalan in VAT collection will save time and reduce the scope of human errors.

these systems are set up in different locations.

In the absence of interconnectivity among these systems, complexities arise in the exchange of information, the report stated, urging the establishment of a central data centre.

The NBR panel also suggested the creation of a data warehouse so that all its departments and offices can access information, analyse data, and prepare reports through data mining.

In its submission, the panel recommended integrating all existing online platforms designed to facilitate business and boost the collection of

VAT, customs, and income tax to develop a modern and sustainable revenue infrastructure.

To facilitate imports and exports, the committee urged the NBR to introduce an "on-chassis delivery tracking system", which would significantly reduce risks.

In this regard, the panel cited an "Authorised Economic Operator" (AEO) system launched by the NBR to promote faster trade. Already, 15 firms are operating as AEOs, and a number of applications are under process.

The NBR team stated that steps should be taken to implement the AEO module for the smooth execution of the system.

The panel also suggested the introduction of an electronic cargo

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Square Pharma's profit rises 26% in 2nd quarter

SQUARE PHARMA'S NET REVENUE AND PROFIT

In crore taka; SOURCE: FINANCIAL STATEMENT

Period	Profit	Net revenue
Oct-Dec 2023	524	1,774
Oct-Dec 2024	660	1,997
Jul-Dec 2023	1,124	3,555
Jul-Dec 2024	1,269	3,771

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A rise in both income from investments and profits from associated companies helped Square Pharmaceuticals post a 26 percent year-on-year rise in net profit in the October-December period of fiscal year 2024-25.

The drugmaker recorded a profit of Tk 660 crore in the second quarter, up from Tk 524 crore in the same period a year ago.

Its revenue grew by 13 percent year-on-year to Tk 1,997 crore during the quarter.

Meanwhile, the company's investment income surged by 51 percent, or Tk 54 crore, to Tk 159 crore, according to the company's financial report.

Square Pharmaceuticals' profit from associate undertakings rose 65 percent, or Tk 44 crore, to Tk 109 crore.

The company has investments in three associates—Square Textile, Square Hospitals, and Square Fashions.

Additionally, it has investments in three subsidiaries—Square Pharmaceuticals Kenya EPZ, Square Lifesciences, and Samson Pharma.

Its earnings per share stood at Tk 7.45 in the second quarter, up from Tk 5.92 in the same period of the previous fiscal year.

On Thursday, Square Pharmaceuticals' stock declined 0.37 percent to Tk 216.