REHAB Fair begins in Chattogram tomorrow

STAFF CORRESPONDENT, *Chattogram*

The four-day "REHAB Chattogram Fair-2025" will begin at the Radisson Blu Chattogram Bay View in the port city tomorrow.

Shahadat Hossain, mayor of Chattogram City Corporation, is expected to inaugurate the housing fair as the chief guest.

Delwar Hossain, vice-president of REHAB and chairman of the Chattogram regional committee, shared the details of the show at a press conference in the port city yesterday.

"The fair will provide buyers with all services under one roof in a short time," Hossain said.

"Buyers will not only get information on flats and plots but also have the opportunity to explore home loans and building materials," he added.

"The REHAB Fair will help buyers find their desired flat or plot within their budget," he continued.

This will be the 16th edition of the housing fair organised by the Real Estate and Housing Association of Bangladesh (REHAB) Chattogram regional office.

This year, the fair will feature 42 stalls from different real estate companies across the country.

Among others, Mohammad Morshedul Hasan, director of REHAB and co-chairman-1 of the Chattogram Regional Committee; Syed Irfanul Alam; Nur Uddin Ahmed; Mohammad Mainul Hasan, committee members; and Rezaul Karim, a member of the fair organising committee, were also present.

Of the 1,400 lighter vessels transporting imported goods across the country, 950 are currently loaded, with around 350 held up at river points for 20-30 days or more.

PHOTO: STAR/FILE

Lighter shortage disrupts unloading at Ctg port

Mother vessels are provided with only one lighter against the demand for four

DWAIPAYAN BARUA, *Ctg*

Unloading of imported cargo at Chattogram port's outer anchorage has been severely disrupted for weeks due to an acute shortage of lighter vessels.

Currently, 43 mother vessels carrying over 6 lakh tonnes of various cargo, including essential commodities and industrial raw materials, are anchored at the outer anchorage.

Shipping agents report that most vessels are receiving far fewer lighter vessels than needed, with some getting none on certain days.

On Monday, the Bangladesh Water Transport Coordinating Cell (BWTCC) allocated only 44 lighter vessels for unloading these 43 mother vessels, leaving at least four vessels without any support.

Cargo agents are requesting four lighter vessels per mother vessel but are only receiving one.

A vessel named S Breeze, carrying 47,000 tonnes of raw sugar, arrived on January 27 but still had 4,000 tonnes left to unload as of today.

Its local agent, Litmond Shipping, stated that insufficient lighter vessels extended the unloading process from the usual 5-6 days, leading to demurrage costs of $20,000 per day.

The shortage stems from many lighter vessels being stuck at destinations for weeks.

Of the 1,400 lighter vessels transporting imports across the country, 950 are currently loaded, with around 350 held up at river points for 20-30 days or more.

Industry insiders allege that some importers are using lighter vessels as floating warehouses, delaying unloading to manipulate the market.

This practice has worsened the crisis, warned GM Khan, executive director of the BWTCC.

Parvez Ahmed, vice president of the Inland Vessel Owners Association of Chattogram (IVOAC), cautioned that such delays could lead to higher freight rates as mother vessels incur longer port stays.

In response, the Department of Shipping held a stakeholder meeting on Monday and warned of mobile court actions against importers who keep lighter vessels beyond reasonable periods.

Jamuna Oil's profit rises 17% in Q2

STAR BUSINESS REPORT

Jamuna Oil Company's profit grew in the second quarter of the 2024-25 fiscal year, driven by higher interest income.

The company reported a profit of Tk 140 crore in the October-December quarter, marking a 17 percent year-on-year growth.

Its earnings per share (EPS) rose to Tk 12.68 in the quarter from Tk 10.86 a year ago, according to a recent disclosure on the Dhaka Stock Exchange (DSE) website.

Shares of the company went up 0.06 percent to Tk 176.80 in mid-day trading yesterday at the DSE.

Jamuna Oil said the EPS increase was driven by higher interest income on bank deposits.

For the July-December period of 2024, its EPS stood at Tk 23.92, up from Tk 18.46 in the same period last year.

The company's net operating cash flow per share (NOCFPS) surged to Tk 74.13 from Tk 8.41 in the same period the previous year.

Jamuna Oil attributed the NOCFPS growth to increased credit and accruals during the period.

Pakistan National Oil Limited (PNOL) was established in 1964. After independence in 1971, it was renamed Jamuna Oil Company Ltd (JOCL). It became a fully government-owned entity in 1975 and a Bangladesh Petroleum Corporation (BPC) subsidiary in 1976.

At present, BPC and general investors hold 60.08 percent and 39.92 percent of its shares, respectively.

Gold hits record high

REUTERS

Gold prices soared to a record high on Tuesday on safe-haven demand after US President Donald Trump imposed fresh tariffs on steel and aluminium imports, which could fuel inflation further and escalate the potential for a global trade war.

Spot gold was up 0.3 percent at $2,916.37 per ounce as of 0701 GMT. It hit a lifetime high of $2,942.70 earlier in the session.

US gold futures firmed 0.3 percent to $2,941.50.

Trump raised tariffs on steel and aluminium imports to 25 percent on Monday "without exceptions or exemptions", increasing the risk of a multi-front trade war.

The metal has logged its eighth record high so far in 2025 as investors grapple with uncertainties around US trade policies.

"The risk of a global trade war is putting pressure on trading in physical bullion and driving financial markets to get exposure to gold as a part of what can be loosely described as a de-dollarisation theme," said Kyle Rodda, financial market analyst at Capital.com.

Stricter conditions proposed

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A key component of the reform is the restructuring of eligible collateral. The proposed framework allows margin financing against cash, listed A-category stocks, corporate bonds with a minimum BBB+ rating, and government securities.

However, securities under legal restrictions or going through lock-up periods after initial public offerings (IPO), illiquid stocks or those that cannot be readily sold without a substantial loss in value, shares mired in rumours, and companies nearing insolvency will be excluded.

Additionally, power plants with limited life cycles will not qualify for margin financing in the last two years before expiry.

Another major change is a shift to a market-driven interest rate structure. Previously, interest rates on margin loans were regulated, but under the new rules, lenders will have the flexibility to set rates based on market conditions.

However, the lenders must notify clients at least 15 days in advance before implementing any rate changes. In a major relief for investors, no interest will be charged on negative equity accounts.

To eliminate inconsistencies, all lenders must follow a standardised margin loan agreement. Online agreements will also be facilitated, making the process more transparent and accessible.

Additionally, margin loan contracts must have a fixed expiry period, ranging from six months to one year, with renewals subject to compliance with rules.

A stricter risk management system is also being recommended. The collateral must be deposited before any transaction, replacing the current practice that allows a seven-day window.

Investors will be required to maintain an equity level of at least 150 percent of the summation of the initial equity and margin loan availed afterwards.

If the equity falls below this threshold, the deficit must be met through the deposit of funds within three working days.

Lenders will have full discretion to liquidate holdings if the equity drops below 125 percent. However, if lenders fail to act immediately, they will be held liable for any financial losses suffered by clients.

To further mitigate risks, the maximum margin loan ratio will be capped at 1:1, meaning an investor cannot borrow more than their own equity contribution.

To curb overexposure, the taskforce has proposed new limits on margin financing. No single client will be allowed to exceed 10 percent of a lender's capital, with a maximum exposure of 15 percent for related group or family accounts.

Similarly, single-sector exposure will be limited to 30 percent, while single-stock exposure will be capped at 25 percent of a lender's total exposure.

Stock exchanges will publish a daily list of marginable securities based on earnings, liquidity, and volatility factors, ensuring that only fundamentally strong stocks qualify.

To enhance regulatory oversight, the proposal includes segregating cash and margin accounts. Clients will be required to maintain separate accounts to prevent the misuse of investor funds.

Deposits and financing will be routed through dedicated accounts, and margin accounts will no longer be accepted for IPO applications.

Dividends from margin-held securities must be credited directly to the lending institution, and the renunciation of rights shares to third parties will not be permitted.

A major addition to the framework is the introduction of record-keeping focusing on how stocks react to market-wide stress.

Stock exchanges will be responsible for recording the patterns to assess the resilience of the margin lending system under extreme market conditions.

Additionally, margin lenders must submit a monthly report of their total margin exposure to stock exchanges.

READ FULL STORY ONLINE

Govt considers charging

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"Having green factories or the highest number of environmentally certified factories does not automatically mean the sector is operating sustainably," she said, adding that the garment industry is not only energy-intensive but also heavily reliant on water and chemical management, making responsible production practices crucial.

"The term 'cheap labour' should be removed from our vocabulary when discussing sustainability," the adviser also said.

"It must be a shared responsibility between producers and consumers," she asserted, emphasising ethical sourcing and fair business practices.

She made these remarks at the inaugural ceremony of the Sustainable Apparel Forum (SAF) 2025, jointly organised by Bangladesh Apparel Forum (BAE) and the Netherlands Embassy at Radisson Hotel in Dhaka.

Michael Miller, the EU ambassador to Bangladesh, said that EU consumers have benefited from good value and high-quality products imported from Bangladesh.

"Partnerships between the EU and Bangladesh must evolve as we move forward," Miller said.

"We look to Bangladesh to increase its ambition when it comes to renewables. The EU is determined to work with Bangladesh to ensure it is equipped with the capacity to provide opportunities for sustainable development," Miller added.

Andre Carstens, head of mission of the Netherlands in Bangladesh, said, "The Netherlands values its partnership with Bangladesh and recognises Bangladesh's leading role in the global RMG industry. We are committed to working together with Bangladesh to navigate its challenges."

Chowdhury Ashik Mahmud Bin Harun, executive chairman of the Bangladesh Investment Development Authority (BIDA), said, "We, as a country, would like to be the leader in sustainable apparel by 2040."

Mostafiz Uddin, founder and chief executive officer of the BAE, said, "If you look into the efforts, we are creating collaboration and connection, increasing opportunity and investment, and further integrating the business. I think our initiatives will continue, and we will be doing impactful initiatives toward a sustainable future."

In addition, the Netherlands Circular Textile Trade mission to Bangladesh is scheduled from February 10-13, according to a statement.

With the participation of 18 Dutch companies leading in circularity and renewable energy, attendees found unparalleled opportunities for networking and matchmaking at the SAF.

BB moves to enhance cashless transactions

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banking, and mobile financial services (MFS).

Besides, this system will enable local micro, small, and medium enterprises to seamlessly apply for loans, submit required documents, and track approvals, ensuring cost-effective disbursement and repayment, the statement said.

Also, the Bangladesh Bank aims to ensure that 75 percent of all domestic transactions are conducted through digital means by 2027, thereby aligning itself with the National Financial Inclusion Strategy.

Additionally, the central bank is refining its regulatory framework to accommodate innovations in fintech and draft e-money regulations while seeking to establish a secure and competitive environment for digital transactions.

The Bangladesh Bank also introduced an escrow model this year with the aim of enhancing customer protection in e-commerce and ensuring safer digital payments.

Going broke? Let's go public

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Saiful Islam, president of the DSE Brokers Association, said that "the impact of these types of rotten stocks is long-term."

Even if some of these IPOs were approved under political pressure, now is the time to delist underperforming companies, he commented.

According to Islam, flawed listing regulations make delisting a lengthy and complicated process.

He called for easier listing and delisting procedures to prevent poorly performing companies from dragging down the market for years.

He added that although delisting such companies may cause losses for some investors, there is no benefit in holding stocks where major assets are at risk.

WILL THE REGULATOR TAKE NOTE?

The value of Sikder Insurance's investment in National Bank has already dropped by 50 percent since 2022.

Md Jakir Hossain, a stock investor, admitted that he did not analyse the company's financials before investing in its IPO.

He assumed that a company wouldn't become junk overnight and that it should take at least a few years to be downgraded.

Contacted, BSEC spokesperson Rejaul Karim said that insurance companies are required by law to be listed and that Sikder Insurance met the public issue rules at the time of approval.

"In IPO approval, the regulator sees whether the company followed the public issue rules properly," he said.

However, he admitted that BSEC is now more cautious to prevent poor-performing companies from receiving IPO approvals.

In 2021, BSEC intervened by restructuring the boards of several underperforming companies, but none of them have fully recovered.

Karim said if the stock market taskforce formed by the interim government makes recommendations regarding these struggling companies, the regulator will analyse the cases and take action.

Abdur Razzak, company secretary of Sikder Insurance, said the insurer has already paid most of its announced dividend and expects to be upgraded to B-category soon.

He admitted that the company – whose stock traded at Tk 21.90 on Thursday – has not received any dividends from its major investment in National Bank but defended the decision not to sell its shares, citing the current low market price.

He also said that their buying price was around Tk 10 per share, while National Bank shares are now trading below Tk 5.

BB discovers irregularities

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It also was found that he was promoted every year, with his salary increasing nine times in a single year.

In response to these findings, Al-Arafah Islami Bank recently dismissed Piaru.

Additionally, the central bank inspection found that Managing Director Chowdhury and several other officials received incentive bonuses that violated regulations.

As per central bank guidelines, a bank's managing director can receive a maximum incentive bonus of Tk 15 lakh annually. However, Chowdhury received more than this limit.

Efforts to contact Chowdhury for comment were unsuccessful as he did not respond by the time this report was filed.

However, it has been confirmed that the bank's managing director and Deputy Managing Director Muhammed Nadim have returned the excess amounts they received as bonuses. Together, they refunded approximately Tk 54 lakh to the bank.

Nadim told The Daily Star he was given an amount equal to his basic salary as a bonus for his team finishing as runners-up in a football tournament organised by the Bangladesh Association of Banks.

"However, the Bangladesh Bank objected to this, so I returned the money," he said.

Regarding the excess sum paid to Chowdhury, the deputy managing director said the central bank has a specific regulation regarding how much bonus a managing director can receive.

"Since he received more than the allowed amount, he too returned the excess," Nadim added.

He also said that as investigations by the Bangladesh Bank, BFIU, and other authorities are underway, that they will address any further objections accordingly should they arise.

TCB to sell essentials

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Muhammad Yunus, TCB has started selling key commodities at below-market rates to 12 lakh families across 13 areas, including all divisional headquarters and five poverty-stricken regions.

Each buyer will receive two litres of soybean oil, two kilogrammes each of lentils and chickpeas, one kilogramme of sugar, and 500 grammes of dates per transaction, according to a commerce ministry press release.

Prices have been set at Tk 100 per litre for oil, Tk 70 per kg for sugar, Tk 60 per kg for lentils and chickpeas, and Tk 156 for dates.

The adviser highlighted Khulna's success in smart card conversions, adding that the remaining card activations will be completed by February 24, increasing the number of beneficiaries.