

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.81%	▲ 0.70%	\$1,837.30	\$48.20	▲ 0.03%	▲ 0.03%	▲ 0.41%	▼ 0.21%	BUY TK 83.95	100.70	111.42	12.63
4,974.83	8,587.29	(per ounce)	(per barrel)	44,630.21	26,809.37	2,822.34	3,442.14	SELL TK 84.95	104.50	115.22	13.27



# Star BUSINESS

DHAKA FRIDAY DECEMBER 4, 2020, AGRAHAYAN 19, 1427 BS • starbusiness@thedailystar.net

## November export receipts highest in four months

REFAYET ULLAH MIRDHA

Merchandise exports bounced back in November, rising 0.76 per cent year-on-year to \$3.07 billion helped by garment, home textile and jute goods shipment, official data showed yesterday.

Though November's receipts are 8.2 per cent shy of the monthly target of \$3.35 billion, the earnings in the month are the highest in the August-November period.

In the July-November period, the earnings from exports rose 0.93 per cent to \$15.92 billion compared to the same period a year ago.

Garment, which accounts for about 85 per cent of the national exports, brought home \$12.89 billion from July to November, up 1.48 per cent, according to data from the Export Promotion Bureau (EPB).

Ahsan H Mansur, executive director of the Policy Research

Institute, said the July-November earnings did not mean that there had been a full recovery of merchandise export.

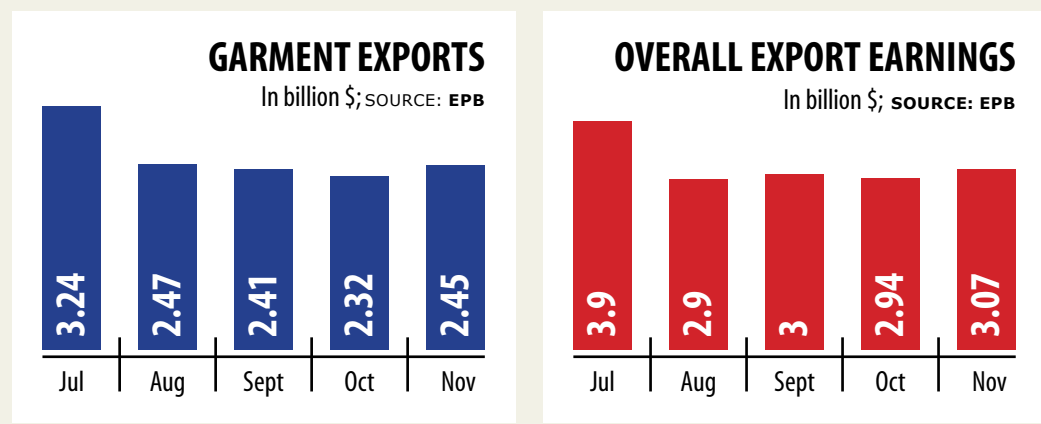
"We are on our way to a full recovery. If the second wave does not affect our export severely, we will be able to recover fully by January and February next year," Mansur said.

He said although the vaccine is coming, it would take time for the economies in the major export destinations like in Europe and the US to make a turnaround.

On Wednesday, the UK became the first country to authorise a Covid-19 vaccine, marking a pivotal moment in the global fight against coronavirus.

"If the exporters need any support [before the vaccine rollout in Bangladesh], the government should provide that for the sake of a speedy recovery of exports from the shocking fallouts of the Covid-19," Mansur said.

READ MORE ON B2



## Govt shutting six sugar mills

Move sparks protests among workers

STAR BUSINESS REPORT

Bangladesh Sugar and Food Industries Corporation (BSFIC) has recently announced that it would close operations of six sugar mills in a bid to reduce losses, a move that sparked outrage among the mills' workers.

However, the state-owned sugar supplier still has nine other sugar mills where the displaced workers will be employed for the time being, said BSFIC Chairman Sanat Kumar Saha.

Besides, the shuttered mills will undergo modernisation in a bid to make them commercially viable once again, he said.

Following a government order on December 2, the BSFIC informed that production at six mills—Pabna Sugar, Shyampur Sugar, Panchagar Sugar, Setabganj Sugar, Rangpur Sugar, and Kushtia Sugar—would be halted until further notice.

This led to protests from the workers of Pabna Sugar Mills, who staged a sit down on the Pabna-Rajshahi highway last Thursday.

Local law enforcement had to eventually intervene after the agitating crowd set a fire in front of the factory's main gate.

"We have decided to close the



Workers and employees of Pabna Sugar Mill protest the decision of closure of the state-owned factory in front of the mill gate in Pabna yesterday.

mills for modernisation as well as to reduce operational costs and minimise losses," said BSFIC Chairman Saha.

However, he did not divulge exactly how far the company expects its losses to drop following this move.

Saha did, however, say that the BSFIC faces losses of Tk 937 crore

on average each year.

Over the last five years, BSFIC incurred losses of Tk 3,976 crore. In fiscal 2019-20, the corporation registered a loss of Tk 970 crore.

The BSFIC also has the liability of Tk 7,895 crore in bank loans and owes about Tk 521.76 crore as arrears to its workers.

Although the mills will remain

closed for some time, the BSFIC will continue to pay the salaries and allowances owed to its employees, Saha said.

"They will also have the option to work at our other mills," he added.

Around 3,000 workers are employed by the six mills, which will be modernised through a

**AT A GLANCE**

- Around **3,000** workers are employed in these six mills
- BSFIC will modernise the mills in cooperation with Thai Exim Bank and Japan Bank for International Cooperation
- The modernisation plan entails **Tk 5,000cr** and will end in **2 years**
- Under the plan, the mills will diversify products
- BSFIC faces an average loss of **Tk 937cr** per year
- It has a plan to modernise all **15** mills in phases

READ MORE ON B3

## Govt caps savings tools investment

STAR BUSINESS REPORT

The finance ministry yesterday fixed the maximum limit of national savings certificates that people would be able to purchase individually and under joint names.

According to a notification of the Internal Resources Division, a person will not be able to invest more than Tk 50 lakh in three savings instruments: the five-year Bangladesh savings certificate, the three-month profit-bearing savings certificate, and the family savings certificate.

Under joint names, the highest amount of investment in the three savings schemes will be Tk 1 crore, a cap aimed at discouraging wealthy people from putting in too much money in the high-interest-bearing savings instruments offered by the government.

The notification becomes effective immediately, said the IRD. At present, an individual can buy family savings certificates up to Tk 45 lakh, and it is up to Tk 30 lakh each for the three-month certificate and the five-year Bangladesh savings certificate.

## Electronic certificates of origin acceptable for three more months

STAR BUSINESS REPORT

Bangladesh customs will accept electronically generated copies of the certificate of origin (CoO) for goods imported under the South Asian Free Trade Area (Safat) deal in the SAARC bloc for another three months.

Businesses importing goods from Saarc nations, particularly India, will be able to submit this declaration of a product's place of manufacture to customs until March 31, 2021, said a National Board of Revenue (NBR) notification.

Acceptance of the e-CoO, a precondition to avail duty benefits on certain goods under Safat, was scheduled to end on December 31 this year, the revenue administration had said at the end of July.

The e-CoO must have the signature of the official concerned of the issuing authority of Saarc and official seals, said a senior NBR official.

The latest extension decision came after a meeting hosted by the commerce ministry last month, where representatives of various ministries and agencies as well as businesspeople were present.

The meeting participants suggested making the extension.

Bangladesh Customs, an NBR wing, started accepting e-CoOs since May in line with a request of the Indian authority, the reason being that normal office activities were being affected for lockdown measures to curb the ongoing coronavirus pandemic.

READ MORE ON B3

## Open trade dialogue platform focusing on Brexit

UK envoy urges commerce minister

DIPLOMATIC CORRESPONDENT

The UK has proposed establishment of a platform focusing on trade and investment dialogues with Bangladesh to deepen the existing "strong trading relationship" by identifying and addressing barriers faced by British exporters.

British High Commissioner Robert Chatterton Dickson made the proposal meeting Commerce Minister Tipu Munshi at the latter's office in Dhaka yesterday.

The UK-Bangladesh Trade and Investment Dialogue will look to facilitate the highest trade possible through a mutual commitment to identify and address the barriers and help improve the business environment, said the high commissioner in a statement.

"As a champion of free trade, the UK wants to deepen its already strong trading relationship...by developing a trade partnership that builds on our shared trade and investment interests," it said.

Increasing trade will help increase growth and aid economic development, it said.

"The UK is looking to harness the opportunity presented by the UK's exit from the European Union to develop a future trade partnership with Bangladesh that will increase two-way trade and bring greater prosperity to both of our countries," said the envoy.

READ MORE ON B2

## BB appoints administrator at troubled Premier Leasing

STAR BUSINESS REPORT

The central bank yesterday appointed an administrator at Premier Leasing & Finance Ltd (PLFL) following a court order, the first such move aimed at a non-bank financial institution in Bangladesh.

The Bangladesh Bank has appointed its Executive Director AKM Mohiuddin Azad as the administrator at the beleaguered NBF, said Md Serajul Islam, a spokesperson of the central bank.

The central bank has taken the decision to comply with a High Court order, he said. BB Governor Fazle Kabir approved the appointment on Tuesday.

The court order came after one of the depositors of the NBF had filed a case over PLFL's failure to pay back deposits on time.

Defaulted loans in the NBF have surged alarmingly in the recent period, according to data from the central bank.

Non-performing loans stood at Tk 384 crore, accounting for 30.53 per cent of its outstanding loans as of June.

The company has failed to keep provisioning against defaulted and



unclassified loans as well. The provisioning shortfall stood at Tk 78.34 crore as of June.

A good number of NBFs recently faced troubles to repay depositors due to widespread financial scams.

The government earlier decided to liquidate People's Leasing and Financial Services after the central bank detected a large-scale scam. The NBF has also failed to repay depositors.

## Inflation cools off in Nov

REJAUJIL KARIM BYRON

General inflation fell to 5.52 per cent in November, bucking a rising trend, driven by a significant drop in food prices, official data showed yesterday.

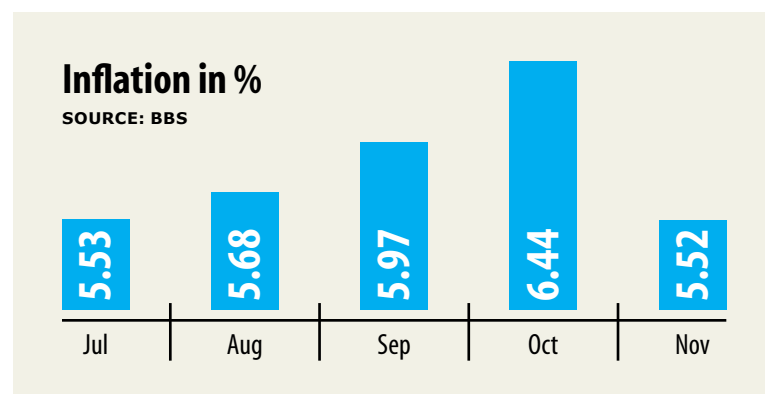
The average Consumer Price Index (CPI) had risen to 6.44 per cent in October, the highest in at least five years, led by a sharp increase in the price of food items.

This had been the third consecutive monthly increase as recent floods and rains damaged crops and pushed up the prices of rice and vegetables.

But November's figure is 92 basis points lower than the CPI in October and is the lowest in six months, data from the Bangladesh Bureau of Statistics (BBS) showed.

Food inflation declined 1.61 percentage points to 5.73 per cent, and non-food inflation rose 19 basis points to 5.19 per cent.

There was an improvement in



November with headline inflation declining due to a noticeable fall in food inflation, said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

"This implies an easing of the erosion of the purchasing power of the poor and vulnerable population."

Hussain said the decline in food inflation perhaps reflected stable

rice prices and the arrival of winter non-rice produce to the market.

"Ensuring the functioning of the supply chain amid the rising coronavirus infection rate will be critical for maintaining price stability."

The headline inflation is still above the fiscal year's target of 5.4 per cent.

The price of coarse rice fell marginally to Tk 52.23 a kg from

Tk 52.25 a month ago in markets in Dhaka, BBS data showed.

It was Tk 49 in September this year and averaged Tk 45.51 in the last fiscal year.

The price of pulses and meat rose, and that of fish dropped.

Good quality soybean oil became expensive by Tk 5 a litre, according to the BBS.

The price of dry chilli jumped to Tk 390 a kg from Tk 370 a month ago. It averaged Tk 235 a kg last fiscal year.

The price of onion dropped to Tk 88.21 a kg from Tk 92.65 in October.

The national statistical agency said inflation in rural areas was down 1.12 percentage points to 5.55 per cent from 6.67 per cent in October.

Food inflation dropped 1.72 percentage points to 6.01 per cent. Non-food inflation rose three basis points to 4.65 per cent.

READ MORE ON B2