

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.40%	▲ 0.68%	\$1,826.16	\$50.69	▲ 0.34%	▲ 0.30%	▲ 0.29%	▲ 0.66%	BUY TK 83.95	100.83	110.92	12.67
5,147.02	8,905.79	(per ounce)	(per barrel)	46,253.46	26,732.44	2,858.14	3,369.12	SELL TK 84.95	104.63	114.72	13.32

OPENING
of
**DSE TOWER
SUB-BRANCH**
15 December 2020

DSE Tower
Nikunjo-2, Khilkhet
Dhaka

CallCenter
16491

SIBL
Standard Chartered Bank

Star BUSINESS

DHAKA TUESDAY DECEMBER 15, 2020, AGRAHAYAN 30, 1427 BS • starbusiness@thedailystar.net

Women garment workers on the decline

Brac University survey shows

REFAYET ULLAH MIRDHA

Rapid automation, wage hikes and complex production process in the garment sector and marriages have narrowed the female workers' participation in the apparel industry in Bangladesh, according to a survey.

The study showed that the current ratio of male to female workers in the garment sector is 41.7 to 58.3, which challenged previously established data that women account for up to 80 per cent of the apparel industry's total workforce.

"Our research indicates that women accounted for 65 per cent of the garment sector's workforce for the last few years, but it has dropped to 58.3 per cent now," said Syed Hasibuddin Hussain, project manager of Mapped in Bangladesh (MiB), an initiative of Brac University.

As of Sunday, the total number of workers in the export-oriented garment factories stood at 25,62,383, of whom 14,94,011 are female.

The survey was conducted in

Ratio of female workers in garment sector is **58.3%**

Ratio of male workers is **41.7%**

3,223 factories surveyed

25,62,383 employed in the surveyed factories

Of the workers, **14,94,011** are female and **10,68,372** are male



the main export-oriented garment industrial cluster zones in Dhaka, Narayanganj, Gazipur and Chattogram, which cover more than 80 per cent of the industry.

The overall number of garment workers may increase to some extent during the final stage of the study. However, the number of declining gradually, he said.

The wage hike, rapid automation, marital status and Bangladesh's shift to complex garment production are

the main reasons for the declining number of female garment workers, who historically carried the country's single largest

export sector for the last four decades, Hussain told reporters while sharing the findings at a hotel in Dhaka on Sunday.

Meanwhile, wage hikes and automation are the major factors behind the decline in the sector's overall workforce, said Hussain, who has been leading a research team of about 25 people under the MiB project.

Employment in the sector fell significantly over the years as manufacturers started adopting technologies to reduce the cost of production.

Similarly, since Bangladesh is going into high-end garment production, the use of technologies increased, and the number of workers was reduced.

The researchers have been trying to determine the actual number of export-oriented garment factories in the country since June 2018.

One of the main objectives of the study is to inform the people, buyers, retailers, the government and suppliers about the export-oriented garment factories of Bangladesh, Hussain said.

One of Bangladesh's major weak points is that after the collapse of Rana Plaza in April 2013, there was no exact data on the country's export-oriented garment factories. As a result, the Bangladeshi garment supply chain was widely criticised by western consumers following the disaster, he added.

This is why the MiB project was undertaken by Brac University in collaboration with the Embassy of the Netherlands in Bangladesh, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA).

READ MORE ON B3

Credit card use back to pre-pandemic levels

AKM ZAMIR UDDIN

Spending through credit cards reached the pre-pandemic levels in October in keeping with the economic recovery, a sign that clients are embracing the plastic money sidestepping the use of cash.

Total card loans held by lenders stood at Tk 1,381 crore in October, up 11 per cent from that a month earlier and 17 per cent year-on-year, showed Bangladesh Bank data.

The rise in transactions through credit cards, one of the major purchasing power indicators of clients, hints that economic activity in the country has been increasingly rebounding, said bank officials directly linked to card businesses.

Spending through credit cards drastically went down in the second quarter of 2020 because of the strict restrictions on movements imposed by the government to keep the deadly flu at bay.

In July, card transactions increased at a faster pace, because of either the easing of lockdowns or erosion of the purchasing capacity of consumers.

Credit cardholders subsequently made a record amount of transactions to the tune of Tk 1,552 crore in August during Eid-ul-Azha, one of the biggest festivals for Muslims. The figure, however, came down sharply in September.

But credit card-holders posted the second-highest amount in transactions in October, past August's figure and since December 2018.

Mashrur Arefin, managing director of City Bank, said the bank achieved their usual business from credit cards in the last two months, after a four-to-five-month hiatus due to the economic slowdown caused by the coronavirus pandemic.

City Bank is the top player in the country's credit card market. It has issued around 5 lakh cards.

"We have almost gained the full profit from the business of credit card in recent periods. The domestic market has wholly

turned around," Arefin said.

But the lender has yet to enjoy its business from the associated foreign part due to travel restrictions imposed by various nations since the beginning of the pandemic.

"The cross-border transactions have almost come to a halt. We are yet to manage our desired profits from that portion," Arefin said.

Mahiul Islam, head of retail banking at Brac Bank, echoed the same.

Brac Bank, one of the largest card-issuers in Bangladesh's banking sector, is also enjoying an upward trend in transactions through the digital tool.

"The bank has got a respite from the slowdown in the credit card business as transactions through the tool have been on the rise in recent periods," he said.

"Our credit card business has already reached the pre-pandemic levels," he said.

Clients now prefer credit cards compared to the pre-Covid-19 period as they are reluctant to visit shops in person in order to avoid catching the deadly flu, said Ahsan Ullah Chowdhury, head of the card and digital banking at Eastern Bank Ltd.

A good number of people have become habituated to using credit cards, giving a boost to the number of transactions as well, he said.

The number of transactions totalled 23.54 lakh in October in contrast to 21.19 lakh in September. The pandemic has given a great push to e-commerce, which has also had a positive impact on the card business, Chowdhury said.

He, however, said a good number of people who lost their jobs due to the business meltdown have largely depended on credit cards, playing a positive role in expanding the use of the digital tool.

The issuance of credit cards was on the increase in October when the outstanding number of banks' credit cards stood at 16.31 lakh whereas it was 16.19 lakh a month ago.

READ MORE ON B3

NBR removes tax on wheat imports

STAR BUSINESS REPORT

The National Board of Revenue has removed the advance income tax (AIT) on imported wheat after it was found that certain businesses were importing common varieties of the grain under the guise of 'durum wheat' to enjoy zero-duty benefits.

According to NBR officials, importers claimed their shipments were durum wheat to avoid the 5 per cent AIT applicable for more common wheat.

These anomalies surfaced after the Customs Intelligence and Investigation Directorate (CIID) found that wheat was being imported under the 'wrong' Harmonised System Code, a standardised numerical method for classifying traded products.

In a letter to the NBR in October, the Customs House Chattogram said the CIID suggested that duty assessments on imported

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IPO subscription should be sure-shot at shares

Believes BSEC body set up for making recommendations

STAR BUSINESS REPORT

Every initial public offering applicant should get shares if they have a minimum secondary market investment of Tk 10,000, said an IPO assessment committee formed by the Bangladesh Securities and Exchange Commission (BSEC) last week.

It thinks every BO account-holder should make subscriptions of at least Tk 10,000 in the fixed-price method and Tk 20,000 in the book-building method.

Currently, investors offer Tk 5,000 when they subscribe to an IPO. A lottery is held with winners getting a set number of shares. Those whose names do not come up get the whole of their offer returned to their BO accounts.

The seven-member committee was formed to suggest how every applicant could get shares from IPOs. It sat in a meeting on Sunday when the opinions came up. IPO's shares should be divided amongst all the subscriptions, doing away with lotteries, a committee member told The Daily Star.

Whatever a subscription ends up getting should be deducted from the subscription offer, and the remainder should be returned to the investor, he said.

The committee also thinks that the

duration from an IPO offer to the debut trading day should be reduced from 45 days to 30 days.

"We will submit the recommendations to the commission and then it will finalise the procedure and give approval," he said.

Stock investors were not happy about the upcoming recommendation on raising the subscription offer, saying the change would reduce investors' participation in the primary market.

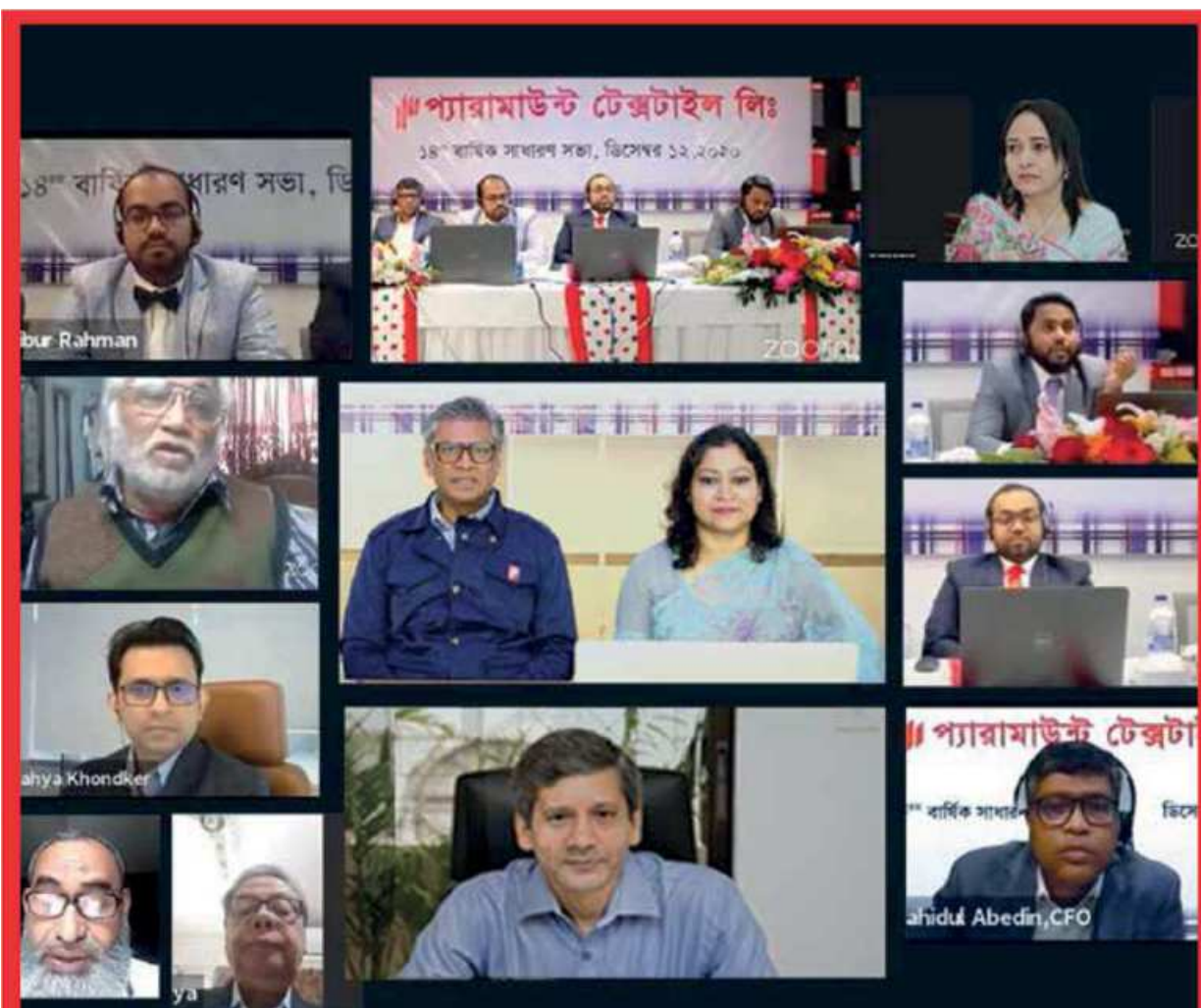
"If the recommendation is accepted, we will have to invest a huge amount of funds to get primary shares. So, the commission should conduct further analysis about the subscription money," said stock investor Abdul Mannan.

However, ensuring primary share for every applicant is a good initiative, he said. "This meant every investor would get at least some primary shares."

There are more than 25.33 lakh beneficiary owners accounts, according to the Central Depository of Bangladesh.

The new IPO process will benefit real stock investors because it will give them primary shares for sure, said a top merchant banker.

But with the subscription offer doubling or more, it might reduce liquidity in the secondary market, he said.



THE 14TH AGM OF PARAMOUNT TEXTILE LIMITED HELD

15% Cash (for General Shareholders) and 5% Stock Dividend, a total of 20% dividend among others were approved by the members of Paramount Textile in its 14th AGM by using digital platform for the year ended 30th June, 2020. A large number of members were present in the meeting. Ms. Anita Haque, Chairman of the company presided over the meeting.

Mr. Shakhawat Hossain, Managing Director and other Directors were also present. The shareholders lauded the Board for assisting staff and workers by ensuring food items at fair prices, housing facilities and clinical facilities during this pandemic. Members also praised the management for diversifying the investment of the company in the Solar Power Plant to ensure financial stability in the coming days. The shareholders also praised the management for achieving highest EPS growth since its inception and one of the highest declaring dividend among other textile companies during this year. Moreover, they expressed gratitude to the Sponsors and Directors for taking humanitarian actions and sacrificing their Cash dividend of the year 30th June, 2020.

PRESS RELEASE

We Mourn

Dhaka Bank deeply mourns the sad demise of Bir Muktiyoddha **Mr. Asoke Das Gupta, Vice Chairman, One Bank Limited, husband of Mrs. Rakhi Das Gupta, Director, Dhaka Bank Limited.** Mr. Asoke Das Gupta breathed his last on 13 December 2020 around 2:30 PM at the United Hospital in Dhaka due to old age complications.

We, the Board of Directors and all the Employees of Dhaka Bank, pray for the salvation of the departed soul. May the almighty give courage to the bereaved family to endure the loss with fortitude.

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