

RK Metal: from rags to riches

Its proprietor turns into a leading agri-machinery maker from a small-time welder

SUZIT KUMAR DAS

Paritos Kumar Malo, the proprietor of RK Metal, has shown that with a little determination and courage, anyone can go from humble beginnings to a real-life success story.

"It was 1997 when I borrowed Tk 50,000 from my maternal uncle to open a small welding shop but now, I earn Tk 50 lakh per year," Malo said.

RK Metal, a maker of agriculture machinery with 15 employees, is situated in the Habili Gopalpur area of Faridpur town.

"My father was a fisherman and I had to help him maintain our big family since childhood," the 45-year-old entrepreneur said.

Malo, son of Santos Kumar Malo, is the eldest among three brothers and the father of two daughters.

"I had to leave school in eighth grade to help meet my family's expenses. Later I learned the skill of mechanical engineering at the Christian Indurates Centre of the Mission House for two years," he added.

After completing the course, Milo worked at the Mission House as a production officer for seven years. He later passed his SSC but soon found himself earning for other things.

"That's when I felt that I no longer need to work for others. Then I decided to do something



Left, People take a look at agriculture machinery manufactured by RK Metal. Right, Paritos Kumar Malo, the owner of RK Metal, looks on when a worker welds a machine.



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by myself to stand on my own feet and open a welding shop," he said.

RK Metal currently manufactures around 16 types of agriculture machinery, such as multi-crop power threshers, maize threshing machines and axial flow pumps, under the supervision of the Bangladesh

Rice Research Institute (BRI) and Bangladesh Agriculture Research Institute (BARI).

The machinery produced at the small workshop in Faridpur town sells for between Tk 40,000 to Tk 2 lakh with a profit margin of Tk 10,000 for all variations.

During a recent visit to the RK Metal workshop, this

correspondent found that its workers were passing busy times in making numerous farming equipment.

Shahid Sheikh, a farmer from the Char Salepur village of Faridpur's Charbhadrasan upazila, purchased a multi-crop power thresher for Tk 1.8 lakh from RK Metal. "I heard from

other farmers that RK Metal's agriculture machineries are the best in our district," he added.

Similarly, Malek Bapari, a farmer of Gosail village under Dhaka's Nababganj upazila, said all the agriculture machinery he bought from RK Metal are still working very well due to their excellent quality.

According to Malo, both government and non-government organisations helped RK Metal come as far as it has through various initiatives, including skills training.

Md Ayub Hossain, chief scientific officer of BARI, said although RK Metal is a very small business, the quality machinery

it produces is very good.

Some would even say that the company makes the best multi-crop power threshers and power seeders in the country.

"The demand for agricultural machinery is increasing day by day as the number of agricultural workers is decreasing every year," he added.



GLOBAL BUSINESS

China launches antitrust probe into tech giant Alibaba

REUTERS, Hong Kong/Beijing

China has launched an antitrust investigation into Alibaba Group and will summon the tech giant's Ant Group affiliate to meet in coming days, regulators said on Thursday, in the latest blow for Jack Ma's e-commerce and fintech empire.

The probe is part of an accelerating crackdown on anticompetitive behaviour in China's booming internet space, and the latest setback for Ma, the 56-year-old former school teacher who founded Alibaba and became China's most famous entrepreneur.

It follows China's dramatic suspension last month of Ant's planned \$37 billion initial public offering, which had been on track to be the world's largest, just two days before shares were due to begin trading in Shanghai and Hong Kong.

In a strongly worded editorial, the ruling Communist Party's People's Daily said that if "monopoly is tolerated, and companies are allowed to expand in a disorderly and barbarian manner, the industry won't develop in a healthy, and sustainable way".

Shares in Alibaba fell nearly 9% in Hong Kong, their lowest since July, while rivals Meituan and JD.com both fell more than 2%.

Regulators have warned Alibaba about the so-called "choosing one from two" practice under which merchants are required to sign exclusive



REUTERS/FILE

A logo of Alibaba Group is seen at the World Internet Conference in Wuzhen, Zhejiang province, China.

cooperation pacts preventing them from offering products on rival platforms.

The State Administration for Market Regulation (SAMR) said on Thursday that it had launched a probe into the practice.

Financial regulators will also meet with Alibaba's Ant Group fintech arm in coming days, according to a separate statement by the People's Bank of China on Thursday, casting another cloud over a potential revival of the share sale.

The meeting would "guide Ant Group to implement financial supervision, fair competition and protect the legitimate rights and interests of consumers," the statement said.

Ant said it had received a notice from regulators and would "comply with all regulatory requirements". Alibaba said it would cooperate with the investigation and that its operations remained normal.

Fred Hu, chairman of Primavera Capital Group in Hong Kong, an Ant investor, said global markets would watch to see whether the moves were "politically motivated" and whether regulators targeted private but not state monopolies.

"It would be a tragedy if the antitrust law should be seen as 'targeting' successful private tech companies only," he said.

Ma has kept out of the public eye since a late October forum

in Shanghai where he blasted China's regulatory system, accusing it of stifling innovation in a speech that stung officials and set off a chain of events that led to the shelving of Ant's IPO.

The practice of requiring a merchant to sell exclusively on one platform, which Alibaba has defended in the past, has long been a source of friction.

In a lawsuit last year, home appliance manufacturer Galanz accused Alibaba of penalising it for refusing to stop selling goods on rival platform Pinduoduo. The case was resolved. In an ongoing case, JD.com accused Alibaba's "small of restricting vendors from trading with it by signing exclusive deals.

After years of largely hands-off treatment of e-commerce, Beijing has made its antitrust intentions clear.

Last month, it issued draft rules aimed at preventing monopolistic behaviour by internet firms, and the Politburo this month vowed to strengthen anti-monopoly efforts in 2021 and rein in "disorderly capital expansion".

China also warned internet giants this month to brace for increased scrutiny, as it slapped fines and announced probes into mergers involving Alibaba and Tencent Holdings.

Liu Xu, a researcher at the National Strategy Institute of Tsinghua University and a long-time advocate for antitrust enforcement, said he expected other tech platforms to face scrutiny.

"Chinese internet firms had enjoyed unprecedented growth with light regulation for years," a regulatory source said, declining to be named given the sensitivity of the matter.

"The latest regulatory moves against them have sent out a clear message that the golden time for many of them has ended and there's no company in China that can be too big to fail."

Regulators have also become uncomfortable with parts of Ant's sprawling empire, chiefly its credit business that contributed close to 40% of first-half revenue. Days before Ant's planned listing, regulators told Ma and two top executives that its online lending business would face tighter scrutiny, sources told Reuters.

NEWS In Brief

US jobless claims drop

AFP, Washington

A flurry of new data Wednesday provided more evidence the US economy is faltering as Covid-19 cases have spiked.

Consumer confidence fell as incomes and spending declined, and new home sales slumped, according to government and private data.

And economists warn that the situation could deteriorate further without government help. President Donald Trump has rejected the long-awaited, \$900 billion pandemic relief bill that would extend aid to workers and businesses.

In a video message Tuesday, he demanded Congress amend the package -- finally approved after months of partisan wrangling -- to increase the direct relief payments from \$600 to \$2,000. The trove of data was "not nearly as great as hoped for," said economist Joel Naroff in an analysis.

He pointed to the drop in personal income as the most troubling sign, saying "it is clear that people are not replacing their government welfare payments with private sector income." While new applications for US jobless benefits fell by 89,000 last week after two weeks of increases, they remain high and have risen in four of the past six weeks, the Labor Department reported.

Applications fell to 803,000 in the week ended December 19 from an upwardly-revised 892,000 in the prior week, according to the seasonally-adjusted data. That was far below the level economists had been expecting, although analysts warn that the data can be erratic due to seasonal adjustment errors around the holidays.

India challenges Vodafone arbitration ruling in Singapore

REUTERS, New Delhi

India has challenged in Singapore an international arbitration court's verdict against it over a \$2 billion tax claim involving Vodafone Group Plc, a senior government official told Reuters on Thursday on condition of anonymity.

Vodafone in September had won the case against India, ending one of the most high-profile disputes in the country that had caused concern among investors over retrospective tax claims on companies.

An international arbitration tribunal in The Hague had ruled that India's imposition of a tax liability on Vodafone was in a breach of an investment treaty agreement between India and the Netherlands. India had 90 days to appeal the ruling.

India's finance ministry did not immediately reply to an email and message seeking comment on the story.

India lost another international arbitration case this week, against Cairn Energy, over a tax dispute. It has been ordered to pay the UK-listed company over \$1.2 billion in damages and costs.

Gold rises on weaker dollar as market eyes Brexit deal

REUTERS

Gold prices rose on Thursday backed by a weaker dollar ahead of a widely expected Brexit trade deal, with uncertainties around a new variant of the coronavirus overshadowing vaccine optimism.

Spot gold was up 0.1 per cent higher at \$1,873.96 per ounce by 1233 GMT. U.S. gold futures were little changed at \$1,878.60.

"A combination of a weaker dollar, negative real rates and low

yields along with uncertainties around the new strain of coronavirus is helping gold at the moment," said UBS analyst Giovanni Staunovo.

Concerns about the spread of a more infectious coronavirus variant which has led to a tightening of restrictions in Britain lifted the safe-haven appeal of the precious metal.

Elsewhere, Britain and the European Union were on the verge of striking a post-Brexit trade

agreement, supporting sterling and weighing on the dollar.

"However, broadly, the outlook for gold is not bullish... The recent vaccine optimism has smudged gold's appeal," said Hareesh V, head of commodity research at Geojit Financial Services, adding that neither did he expect gold to crash. "Economic uncertainties still exist and the metal will keep drawing support from ultra-low interest rates."

Data on Wednesday showed the

number of Americans filing first-time claims for unemployment benefits remained elevated but posted a fall last week.

Meanwhile, U.S. President Donald Trump's threat to not sign a nearly \$900 billion stimulus bill was largely brushed off by market participants.

"Investors are pretty optimistic about fiscal and monetary supports from governments around the globe, even though a vaccine reduces the might of the

virus. The economy needs it," UBS's Staunovo said.

Bullion, up around 24 per cent this year, is set for its biggest annual gain since 2010, with the unprecedented stimulus pumped in by major governments to offset the economic blow of the coronavirus crisis expected to lift inflation rates.

Silver was up 0.7 per cent at \$25.71. Platinum gained 0.3 per cent to \$1,017.62 and palladium rose 0.4 per cent to \$2,332.55.



REUTERS/FILE

Different types of 4G, 5G and data radio relay antennas for mobile phone networks are pictured on a relay mast operated by Vodafone in Berlin, Germany.