

Panchagarh poised to be an industrial town

Says the FBCCI chief while opening a fair of Tata vehicles

OUR CORRESPONDENT, Thakurgaon

Steps are being taken to turn Panchagarh into an industrial town in the near future, Abdul Matlub Ahmad, president of the Federation of Bangladesh Chambers of Commerce and Industry, said yesterday.

The town is situated in a geographically suitable position and it contains many archaeological sites, which could be a good attraction for tourists, Ahmad said while opening a three-day event, Tata Grand Fair, at Panchagarh government auditorium.

Different models of trucks, buses, pick-ups and related products will be showcased at the fair.

"We want to make an industrial zone through Bangladesh, Bhutan, India and Nepal, comprising Panchagarh and neighbouring Biraatnagar, Fuensholing, Shiliguri and Kolkata of West Bengal in India," he said.

Ahmad, who is also the group chairman of Nitol Niloy Group, urged local businesses to think out of the box and help the industrial sector flourish.

The Banglabandha land port has the potential to expand business with the South Asian countries, he said.

Touhidul Islam, mayor of Panchagarh Municipality; Asrafal Islam Patwary, president of Panchagarh Chamber of Commerce and Industry, and Mostaq Ahmed, CEO of Nitol Niloy Group, were also present.

Syngenta, university team up for agricultural research

STAR BUSINESS REPORT

Faster adoption of hybrid rice, ensuring use of quality seeds and safe application of agro-inputs are crucial to growing more food to feed the increasing population of Bangladesh, officials of a global agri-business giant said yesterday.

Innovations and investments in agriculture are the keys as "resources at our disposal are limited," officials of Syngenta said at a briefing a day after signing a memorandum of understanding with Bangabandhu Sheikh Mujibur Rahman Agricultural University.

"This MoU is aimed at exploring joint research and extension initiatives towards supporting productivity enhancement of farmers as well as ensuring sustainable food security in Bangladesh," Vice Chancellor of the university Mahbubur Rahman said.

Under the pact, the state-financed public university in Gazipur will share technical know-how and mutual access to facilities, research firms and equipment and support personnel on mutually acceptable terms and conditions.

The deal will also allow the two organisations to partner for identifying and developing superior crop varieties and techniques.

Syngenta's South Asia Territory Head Bipin Solanki and Managing Director of Syngenta Bangladesh Md Sazzadul Hassan

attended the briefing at a city hotel.

At the briefing, Syngenta's Global Chief Operating Officer Davor Pisk highlighted various challenges like impact of climate change, scarcity of land and water resources and shortage of farm-labour.

"The labour-intensive agriculture that we used to rely in the past is no more possible now."

Thanks to innovation of plant breeding and adoption of chemical fertiliser and crop protections, food production has increased throughout the world, remarkably in Bangladesh, over the past three decades, he said.

"But we have to grow more and grow sustainably, and have to reach out to the smallhold farmers."

Syngenta's Regional Director (APAC) Tina Lawton said they are working on making major crops like rice, wheat and maize 20-25 percent more efficient, meaning more productive, and increase growers' income by 50 percent by empowering the smallhold farmers.

Syngenta Bangladesh already has existing memorandums with organisations like Bangladesh Rice Research Institute (BRRI), Bangladesh Agricultural Research Institute and the Department of Agricultural Extension (DAE).

Director General of the DAE Md Hamidur Rahman and Director General of BRRI Jibon Krishna Biswas were also present.



Shahid Hossain, managing director of Southeast Bank, and Mahmood Malik, executive director of Infrastructure Development Company, attend the signing of an agreement on Sunday for a strategic partnership for renewable energy and infrastructure projects.

Georgia to build \$2.5b Black Sea port on China's Silk Road

AFP, Tbilisi

Georgia on Monday announced plans to build a new deep-water Black Sea port in a \$2.5-billion project that aims to boost trade between China and Europe along the historic Silk Road route.

Prime Minister Giorgi Kvirikashvili said the ex-Soviet country had awarded the contract to build the port to a joint venture called Anaklia Development Consortium, made up of Georgia's TBC Holding and US-based Conti International.

"The project will bring tremendous opportunities for Georgia and the entire region, making the new Silk Road concept fully operational," Kvirikashvili told journalists.

Under President Xi Jinping, China has launched a multibillion dollar drive to revive its strategic Silk Road trade routes on land and sea, to increase its footprint from central Asia to Europe.

Georgia aims to create a regional transport hub on the Black Sea's east coast, competing with Turkish ports for cargo ships carrying Chinese goods for Europe.

The new port will serve large ships that cannot dock at the ex-Soviet country's existing ports and instead go to Turkey to reload cargo onto smaller vessels.

The Georgian government will contribute \$100 million, while the rest will be financed by the ADC consortium.



Fazle Kabir, chairman of Sonali Bank, speaks at the bank's annual conference at the Institute of Diploma Engineers, Bangladesh, in the capital on Sunday. M Aslam Alam, secretary of the bank and financial institutions division of the finance ministry, and Prodip Kumar Dutta, managing director of Sonali Bank, were also present.



Muklesur Rahman, managing director of NRB Bank, launches the bank's home loan product for non-resident Bangladeshis and study loans for students. Mustafizur Rahman, head of retail product, was also present at the programme in Dhaka.

Three deputy governors of BB get extension

STAR BUSINESS REPORT

The government has extended the tenures of three deputy governors of Bangladesh Bank by five months to more than two years.

The contract with Abu Hena Mohd Razee Hassan has been extended by two years and seven months, SK Sur Chowdhury by two years and Nazneen Sultana by five months, according to a notice from the public administration ministry.

The government extended the tenure by calculating the retirement age of each of the three DGs as 62 years.

Three of the four deputy governor posts of the central bank have been vacant since January 20.

Telcos welcome Robi-Airtel merger

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"GP stressed the spectrum-user ratio. As the merged entity will be serving a lower number of subscribers with a huge amount of spectrum, a considerable portion of spectrum could remain unused," said the official requesting anonymity.

Grameenphone currently has 5.67 crore subscribers with 32MHz of spectrum in the 1,800, 2,100 and 900 bands.

The joint entity of Robi and Airtel will have around four crore subscribers with a combined spectrum of 39.8MHz in the three bands.

Grameenphone said if the regulator cannot ensure 'fairness' in spectrum use, the subscribers will suffer in the long run, the official added.

Grameenphone also raised the issue of the government's planned spectrum auction of 10.6 MHz in the 1,800 band and 15 MHz in the 2,100 band before the expected merger.

In response, BTRC Chairman Shahjahan Mahmood said the two are independent processes; both will go ahead as parallels.

The two separate numbering schemes of a single operator, as both Airtel and Robi numbers will be running after the merger, are a matter of concern, according to Banglalink.

Grameenphone demanded that technology neutrality and spectrum auction should be considered along with the merger, as those are "inseparable in the present context", said the official.

Banglalink raised the issue of Significant Market Power regulation, beside the spectrum issues.

Banglalink said the merger could result in market monopoly in some zones. In Chittagong, for example, Robi has a stronghold and when Airtel and Robi merge, the other operators could be zoned out.

Banglalink also raised questions on how the merged entity will obtain spectrum.

However, Teletalk and Citycell see the matter as an opportunity.

At the meeting, Mahmood of BTRC said they will form a high-powered committee and compile all the points after completing the public hearing.

Earlier, the regulator also appointed two professors to conduct a market study.

India's economy grows 7.3pc in third quarter

AFP, New Delhi

India's economy expanded 7.3 percent in the third quarter of the financial year, official data showed Monday, suggesting it remains on track as the world's fastest-growing major economy.

The year-on-year expansion in gross domestic product (GDP) for the three months to end-December represented a slowdown from the previous quarter but beat a 7.1 percent median estimate forecast by economists in a Bloomberg survey.

The robust data will provide a boost for Prime Minister Narendra Modi, coming as India's rightwing leader nears two years in power amid mounting calls to enact promised reforms.

India's statistics ministry on Monday also forecast the economy would grow 7.6 percent over the full year 2015-16.

It sharply revised up the growth rate for the previous two quarters, including raising the figure for the July-September quarter to 7.7 percent, up from 7.4 percent reported earlier.

However, several experts questioned the data, saying it did not tally with the signals coming from many sectors of the Indian economy.

"I'm absolutely surprised by this," said Kunal Kundu, India Economist at Societe Generale in Bangalore, of

the upward quarterly data revision.

"The growth they are talking about becomes all the more untenable on the face of what we are seeing in the coal sector, roads, freight, exports contracting for 13 months in a row," he told AFP.

Modi has made boosting economic growth a priority since sweeping to power in May 2014 and has been buoyed in recent months by a growth rate that has exceeded that of powerhouse China.

But investors have raised concerns about the pace of promised economic reforms needed to create jobs for India's tens of millions of young people.

The rupee is Asia's worst-performing currency so far this year as global funds have pulled out of Indian stocks, according to Bloomberg.

"At face value these are extremely strong figures. The bigger doubts arise when we try to align the GDP data with what we know of the economy's health from other sources," analysts at Capital Economics said in a note, following Monday's data.

"We should take the official GDP data, and the rate of growth they are suggesting, with a pinch of salt," they said.

Modi's Bharatiya Janata Party-led government will present its next budget on February 29, with the

private sector clamouring for tax reforms to simplify the current regime, among other demands.

India's central bank kept interest rates on hold last week, citing the importance of controlling inflation, which has ticked up in recent months.

The Reserve Bank of India said the benchmark repo rate, the level at which it lends to commercial banks, would remain at 6.75 percent.

Although it is a much smaller economy, India's current growth rate compares favourably with that of China, which expanded 6.9 percent in 2015, its slowest pace in a quarter of a century.

Yet India is still dogged by concerns over the reliability of its economic growth data a year after the government introduced a revised formula for calculating GDP which some analysts have criticised.

The government says the new method of calculating GDP is closer to international standards.

The main change is that India now measures its economic growth at market prices to incorporate "gross value addition" in goods and services as well as indirect taxes.

The base year to calculate India's GDP has also been advanced to 2011-12 from 2004-05.



Abdallah Massaad, chairman of RAK Ceramics, and SAK Ekramuzzaman, managing director, attend the company's annual dealers' meet at a hotel in Dhaka on Thursday.



Hedayatullah Al Mamoon, senior secretary of the commerce ministry, attends a workshop organised on Sunday under a performance agreement signed between the Office of the Chief Controller of Imports and Exports and the commerce ministry.

GP profit falls

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On the Dhaka Stock Exchange yesterday, each Grameenphone share traded between Tk 254.9 and Tk 260, before closing at Tk 257.9.

Sethi said they found a very strong position in the market and now plans to make the customers' life digital by 2020.

"We want to make a strong position in agriculture, health, education and entertainment services as well," he added.

Proposed industrial policy brings in reforms

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The proposed policy has redefined the sizes of industrial units. For example, a company with asset value of over Tk 50 crore and 300 employees will be deemed as a large industrial unit, which is Tk 30 crore and 250 respectively now.

However, if a garment unit has a staff of more than 1,000, it will fall in the big industry category.

Bangladesh Bank has recommended the inclusion of annual turnover in the definition, which will bring down the facilities enjoyed by the companies.

A company with annual turnover of over Tk 300 crore should be counted as a big industrial unit, according to the BB proposal. For a mid-sized company, it would be between Tk 100 crore and Tk 300 crore. A small unit will have Tk 20 crore in annual turnover and micro and cottage industrial units below Tk 5 crore.

In an effort to reform state-run companies, the new policy made several proposals: increasing private involvement in the loss-making state enterprises is one of them.

Exports keep momentum in January

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China, the largest apparel supplier worldwide, now has a market share of more than 38 percent, followed by Bangladesh at 5.09 percent.

"However, our garment export to new destinations has increased significantly over the last five years for higher demand," Rahman said.

Last year, Bangladesh exported \$5.5 billion worth of garment products to 11 new destinations: Australia, Japan, South Korea, Russia, Brazil, Chile, China, India, Turkey, Mexico and South Africa.

Rahman called for the continuation of the current political stability if the target to export \$50 billion worth of garments by the end of 2021 is to be achieved.

Export earnings during July-January stood at \$19.27 billion, 2 percent higher than the target for the period.

Earnings from jute and jute goods were also remarkable during this period: \$494 million.

StanChart, Brac stand by former enclave people

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The financial literacy programme in Chittagong will increase the participation of secondary school students and adolescents in formal banking and encourage the practice of saving with banks.

Standard Chartered and Brac said the financial literacy programme will benefit 1,040 secondary school students directly and 5,000 indirectly. Adolescents will be confident and independent enough to make financial decisions and contribute to improving their lives as well as the community, they said. "We really hope these will positively impact the lives of many people in Lalmonirhat and Chittagong," said Anwar.