

# Indian auto sales see biggest drop in 16yrs

REUTERS  
India's automobile sales saw their biggest monthly fall in 16 years in December after Prime Minister Narendra Modi's ban on high-value banknotes sparked a severe cash shortage that dented demand for big-ticket items such as cars.  
Automobile sales fell 18.66 percent in December to 1.2 million units, the biggest monthly drop since the same month in 2000, data from the Society of Indian Automobile Manufacturers showed on Wednesday.  
Auto sales have seen an especially

big drop in rural areas and regions where cash transactions are typically prevalent. Large two-wheeler manufacturers have also seen a big impact due to their high exposure to rural markets, the data showed.  
Two-wheeler sales fell 22 percent in December from the previous month, one of the biggest falls on record, to 910,235 units, while domestic passenger car sales saw a 8.14 percent drop to 158,617 units.  
The data is in line with other indicators showing Modi's shock action - aimed at cracking down on tax dodgers and counterfeiters - has hit the economy hard. Earlier this

month, a survey found Indian factory activity plunged into contraction in December.  
Further hitting demand were uncertainties about a new unified national tax rate India is gearing up to unveil later this year, while some consumers were likely also waiting to see whether the government would announce special incentives at its annual budget on Feb. 1.  
Abdul Majeed, partner at Price Waterhouse, said automakers would face "a challenging quarter."  
"People tend to hold off on purchase of vehicles till uncertainty is resolved," he said.



YUNUS CENTRE  
Nobel Laureate Professor Muhammad Yunus addresses the CEOs and top executives of some 240 Tata companies who had assembled in Bhubaneswar, India at the Tata Sustainability Conclave Conference on Future-Proof Business on January 9. Story on B1

## New AMD for Dhaka Bank

STAR BUSINESS DESK  
Emranul Huq has recently been promoted as the additional managing director of Dhaka Bank with effect from January 1, 2017.  
Prior to the promotion, Huq has been serving the bank as deputy managing director for business banking. He was also the head of corporate banking at the bank.  
Huq has three decades of professional banking experience, the bank said in a statement yesterday.  
He started his career with Bank of Credit & Commerce International in Dhaka as a management trainee in 1986.  
Before joining Dhaka Bank in 1998, he also worked for Eastern Bank and Credit Africa Bank in Zambia in various capacities.  
He is a certified corporate banker and a fellow of the American Academy of Financial Management, according to the statement.  
He is also the member of the standing committee on banking technique and practice of International Chamber of Commerce Bangladesh.



## Yunus addresses Tata Group CEOs

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He mentioned how as a university teacher in Chittagong University he felt that how the poor helpless are confronting a famine, age-old curse of loan sharking, poor health, illiteracy and lack of work.  
When he found out the academic economics which he taught and the institution of banking were of no help, he took the unconventional steps of lending to the poor with his own personal fund.  
This led to the creation of Grameen Bank, Yunus said.  
It led to other things, to solve the problems of sanitation, healthcare, nutrition and many more. For each of the problem he created a new kind of business -- social business.  
This concept of social business was born out of long experience -- business to solve problems, not to

make personal profits.  
The concept has spread over the world. Instead of accumulating profits and then giving in charity, social business gives a new sustainable option. He said making money is happiness but making other people happy is super happiness.  
He said human beings are not born for working for other people. Human beings are born entrepreneurs. They are not job-seekers, they are job-creators, he said.  
"Which future are we talking about? Should we prepare ourselves to fit ourselves into a future which was created by forces beyond our control, or we purposefully create a future to fit us. The real question is what kind of future we want and how do we create it?" Yunus raised the questions during his speech.  
Young people should be encour-

aged to be entrepreneurs. Appropriate eco-system should be developed to make it possible for every young person to start business. An appropriate financial system must be an essential part of that ecosystem, he said. The businesses of millions of entrepreneurs will prevent the sucking up of all the wealth to the top, he said.  
Many reputed business schools are now teaching social business and young people are showing tremendous enthusiasm, he said.  
It is through such actions and enthusiasm that Prof Yunus believes that his goals of three zeroes will soon be achieved -- zero poverty, zero unemployment and zero carbon emission.  
The speech was followed by a question-and-answer session. Prof Yunus thanked Tata Group of com-

## Alibaba to buy China mall operator in \$2.6b plan

AFF, Shanghai  
Chinese e-commerce titan Alibaba will take control of domestic department store Intime through a \$2.6 billion privatisation scheme, the companies said Tuesday, sending shares of the mall operator surging.  
Alibaba, and Intime founder Shen Guojun have together offered to pay HK\$10 per share to buy the shares they do not already own of the Hong Kong-listed chain.  
The deal will increase Alibaba's stake from 28 percent to 74 percent after it first invested \$692 million in the firm in 2014. News of the deal sent Intime's shares soaring 35.7 percent to HK\$9.54 in Hong Kong Tuesday.

## Potato farmers distraught

FROM PAGE B1  
Encouraged by the higher prices during the off-season, particularly in November, farmers have planted potatoes on increased acreage this season, according to officials of the Department of Agricultural Extension.  
Potato acreage rose 9.68 percent to 5.21 lakh hectares this season, according to DAE and the Bangladesh Bureau of Statistics. Farmers grew 94.74 lakh tonnes of potato last season, up 2.38 percent from a year earlier.  
Growers in the northwestern districts used to plant potato at different times and harvest accordingly, said Rahidul Islam, a vegetable wholesaler at Mahasthan Bazar in Bogra. But rainfall in October and November affected planting and standing crops in fields.  
"As a result, those who planted early varieties could not harvest on time. Harvesting is now taking place in almost all districts, which has caused the prices to drop."  
Farmers had no other option but to harvest now as the quality of potato will start to erode after reaching a certain level of maturity.  
Some of the growers were also in a rush to harvest the potato as they had to clear the space for growing boro rice, he said. Yesterday, Islam bought a couple of tonnes of potato for as low as Tk 150 each maund for his clients in Dhaka. It means the farmers had to sell the potatoes at Tk 3.75-4.5 each kg.  
"You would have been shocked to see the anguish on the growers' faces yesterday. Supply was abundant but there was no buyer," Islam said, adding that the production cost of potatoes would be no less than Tk 10 per kg this year.  
Azim Uddin, a farmer at Baliadangi upazila in Thakurgaon, spent Tk 70,000 to plant potatoes on one acre of land. Last week, he sold 20 maunds of potato for Tk 3,200. "At the current market price, I will run up huge losses."  
For Mohammad Ali, another farmer at Thakurgaon Sadar, this year's potato cultivation would only bring him sorrow. The 50-year-old grower bagged 140 maunds of potato from 66 decimals of land. His proceeds from potato stood at Tk 26,000 against the investment of Tk 45,000.  
"It is going to be very tough for me to arrange funds for boro cultivation," said Anwar Hossain, another farmer from Thakurgaon, who incurred a loss of Tk 10,000.

## Yahoo to be named Altaba, chief executive to leave board

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Verizon executives have said that while they see a strong strategic fit with Yahoo, they are still investigating the data breaches.  
Five other Yahoo directors would also resign after the deal closes, Yahoo said in a regulatory filing on Monday.  
The remaining directors will govern Altaba, a holding company whose primary assets will be a 15 percent stake in Chinese e-commerce company Alibaba Group Holding Ltd and 35.5 percent stake in Yahoo Japan.  
The new company also named Eric Brandt chairman of the board, effective Jan. 9.



Civil Aviation and Tourism Minister Rashed Khan Menon poses with the officials of top performing 26 agencies of Novoair at a programme to celebrate the fourth anniversary of the airline, at Pan Pacific Sonargaon Hotel in Dhaka on Monday.

NOVOAIR

## 128 bridges to be built to boost rural economy

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The government has started building small-scale bridges and culverts alongside big bridges to strengthen non-farm activities. A total of 288,536 metres of bridges and culverts have been constructed against the demand for 465,413 as of December 2016. Another 186,877 metres will be built soon.  
Ecnc also approved another project yesterday worth Tk 706 crore from the government's own fund for increasing the navigability of the Mongla-Ghosiakhali channel.  
Under the project, 309 kilometres of river and canal will be re-excavated and 17km dams and two bailey bridges will be set up. A major aim of the project is to keep the Bangladesh-India river protocol route operative by preventing build-up of high levels of silt in the channel, said the proposal.  
Ecnc yesterday approved a total of nine new and revised projects involving a cost of Tk 8,874 crore.  
Ecnc held 16 meetings in the first six months of the fiscal year and gave the green light to 131 projects involving Tk 263,883 crore, Planning Minister AHM Mustafa Kamal told reporters.

## Jute exports stall as India imposes antidumping duty

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Moon International Jute Mills, Probal Shipping Lines and at least four other firms in Khulna have exported jute goods as per the letters of credit opened earlier.  
Touhidur Rahman of Probal Shipping Lines said his firm would have to count huge losses due to the new duty. The duty has made it impossible to compete in the Indian market.  
The antidumping duty could result in adverse multiplier impacts on Bangladesh's local growers, producers, exporters and spur further trade imbalance with India, Dhaka Chamber of Commerce and Industry said in a statement on Saturday.  
Three years ago, the Indian Jute Mills Association had accused Bangladeshi exporters—for the first time in 40 years—of selling jute

products at prices lower than those in India's domestic market.  
In October 2015, the Directorate General of Anti-Dumping and Allied Duties (DGAD) of India started its investigation into the matter.  
As part of the investigation, a team of the antidumping authority visited some factories in Bangladesh and collected data, including the export prices of the jute products to India and the sales prices in the domestic market.  
Officials of the Tariff Commission of Bangladesh attended several hearings in India before the conclusion of the investigation.  
Usually, the antidumping duty on a product is the same amount by which it undercuts the domestically manufactured product.  
In its final order issued in October last year, the DGAD had come to the

conclusion that there is dumping of goods and the imports were "undercutting and suppressing the prices of the domestic industry."  
It said Indian jute producers are failing to compete with the imports, as Bangladeshi jute growers get 10 percent cash incentives.  
But the DCCI said there is no clear finding of injury caused by Bangladesh's export price and volume to Indian local finished products.  
The insignificant percentage of Bangladesh's share in the Indian market cannot influence their local jute market in a big way, according to the chamber.  
India is the second biggest market for Bangladeshi jute and jute products, said Mafizur Rahman, president of Benapole Port Customs Clearing and Forwarding Agents Association.



M Nazeem A Choudhury, head of consumer banking at Eastern Bank, and Adeeb Shams, CEO of Harriken.com Ltd, developer of Harriken mobile app, exchange documents of the signed papers of a deal at a programme in the capital. The mobile app will inform the cardholders of the bank about the restaurants in Dhaka where they will enjoy discounts.

EBL



RN Paul, managing director of RFL, attends the launch of a new paint—Rainbow—of the company at RFL Industrial Park in Gazipur on Saturday.

RFL