

Suits, blazers emerging as strong export items

REFAYET ULLAH MIRDHA

Suits and blazers have emerged as one of the most promising value-added apparel items from Bangladesh as local entrepreneurs train their focus on grabbing a share of the \$52 billion tailoring market.

Bangladesh's men's tailoring industry now exports \$200 million worth of products, up from about \$20 million even 3-4 years ago.

Even five years ago, there was only one suit manufacturing factory in Bangladesh.

Now, the number is more than six, said Humayun Rashid, managing director of Energypac Fashions, one of the leading suit exporters from Bangladesh. The company ships suits worth \$26 million a year.

"We have set a target to export \$100 million worth of suits by 2021," said Rashid. He said his factory in Gazipur is fully loaded with work orders from Western retailers.

To facilitate the achievement of the target, he has chalked up an expansion plan for next year.

The total workforce in Energypac's suit-making unit will be 4,000 next year, up from 3,100 at present.

"The value addition in the suits segment is very high," he said.

The cutting and making charges for



Humayun Rashid, managing director of Energypac Fashions Ltd, displays coats at his Tejgaon office in Dhaka.

suits range between \$6 and \$8 per unit whereas sometimes a dozen of T-shirts from Bangladesh are sold at \$6.

The retailers pay between \$15 and \$30 for a piece of suit from Bangladesh, Rashid said. Apart from China, Vietnam, India and Turkey, European countries like Italy, France, Portugal,

Bulgaria and Romania manufacture suits on an industrial scale.

"But we have a lot of prospect in this specialised product. So we have started training the workers as craftsmanship is a big matter in this product," he added.

Insider trading led to abnormal price hike of BBS Cables shares

STAR BUSINESS REPORT

BBS Cables, which was listed on July 31, saw unusual jump in its share price because of insider trading, said one of its top executives.

"Some of my relatives bought 2.5 lakh shares to book profits," said Abu Noman Howlader, managing director of BBS Group, while addressing a seminar yesterday on the role of capital market in industrialisation.

Online financial newspaper Arthosuchak organised the seminar as part of its three-day Bangladesh Capital Market Expo 2017, which ended yesterday.

BBS Cables, a sister concern of Bangladesh Building Systems Ltd, started its share trading on the Dhaka Stock Exchange (DSE) on July 31, with each share of Tk 10 trading at Tk 90 on the inaugural session.

The share price continued its upward trend and hit Tk 156 on August 28.

Sales of savings tools on the rise

STAR BUSINESS REPORT

Net sales of savings certificates rose 8.49 percent year-on-year to Tk 17,315 crore in the first four months of the fiscal year as savers' appetite for the high-yielding tools shows no sign of fading.

In July-October, the government's borrowing through the savings instruments was more than 57 percent of the entire fiscal year's target of Tk 30,150 crore, according to data from the Directorate of National Savings.

Savers are largely interested in savings tools because they offer higher interest rates -- 11.04 percent to 11.76 percent --

way higher than the 7 percent rate offered by banks on fixed deposits.

In fiscal 2016-17, net sales of savings tools hit an all-time high of Tk 52,327 crore, more than 2.5 times higher than the government's target of Tk 19,610 crore.

The trend would continue this year as well if the government does not slash the rates on the savings certificates, said a senior official of the Bangladesh Bank.

Higher borrowing through the savings instruments is pushing up the government's interest expenditure. If the government borrows from the banking system, it will cost 2.98 percent to 8.07 percent.

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Deep-sea resources largely untapped

Experts call for policy support

STAR BUSINESS REPORT

Bangladesh can catch fish from up to 660 kilometres from the Bay of Bengal but its trawlers tap fisheries from only up to 60 kilometres owing to lack of facility.

For instance, in 2016 the country caught only 95,000 tonnes of fish in contrast to 8 million tonnes by India, Myanmar, Sri Lanka and Thailand from the Bay of Bengal. Bangladeshi trawlers accounted for 11 percent of the total catch last year.

"We have huge untapped resources in the

sea," said M Khurshed Alam, secretary of Maritime Affairs Unit of the foreign affairs ministry, while presenting a keynote on blue economy from the perspective of Bangladesh at International Biennial Conference and Annual General Meeting 2017.

The Zoological Society of Bangladesh and the department of zoology of Dhaka University organised the event at the Bangladesh Shishu Academy.

Finance Minister AMA Muhith spoke among others on the occasion.

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Digital World brings promises for business

The ICT show ends on a high note

STAR BUSINESS REPORT

Creating much hype among the young tech-savvy people, a four-day Digital World-2017 ended yesterday ushering promises for companies, startups and public sector organisations.

The organisers -- the government's ICT division and Bangladesh Association of Software and Information Services (BASIS) -- expect business involving digital products to reach record levels.

Some Tk 100 crore worth of business will be generated, they stated presenting their targets prior to the event's inauguration.

The exposition last year brought in around Tk 70 crore worth of work orders, Zunaed Ahmed Palak, state minister for ICT, had stated then.

Subir Kishore Choudhury, secretary to the division, said over five lakh people came to the event at Bangabandhu International Conference Centre while 19 lakh watched programmes online.

Mustafa Jabbar, president of BASIS, said the initial success was the huge response. "People, especially youths, were very enthusiastic about new technologies and I think this is one of the biggest achievements," he said.

He said the Dhaka visit of human-

oid robot Sophia played a part in attaining the success. This enthusiasm will help Bangladesh reach its target of earning \$5 billion through exports by 2021, said Jabbar.

However, Rashad Kabir, managing director of Dream71 Bangladesh Ltd and an organising committee member, pointed out that the programme drew success in terms of garnering people's attention.

"If we can bring garment industry leaders and bankers to this event, that will ultimately help bring business and digitise their systems," said Kabir, who is now exporting products to nine countries.

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