



SK Sur to become BB banking reform adviser

STAR BUSINESS REPORT

SK Sur Chowdhury yesterday completed his tenure as Bangladesh Bank deputy governor and will be appointed banking reform adviser for two years.

In his new responsibilities, Chowdhury will advise Bangladesh Bank and other authorities concerned in formulating and implementing reform policies, strategies and programmes for banks and financial institutions, according to a BB statement.

He joined Bangladesh Bank as an assistant director in May 1981 and has been serving as deputy governor since 2012.

Now there are two deputy governors against four posts, with one falling vacant earlier.

BB officials said a search committee formed for appointing new deputy governors on Tuesday interviewed seven persons, most of whom were executive directors.

Alibaba lures older shoppers as market slows

REUTERS, Beijing

Online shopping may not be the typical domain of the elderly, but when it comes to buying groceries with a smartphone, Xiang Jiang, 70, considers herself rather savvy.

Born a year before the Communist Party took control of China in 1949, Xiang has never had a bank account but she now has a wallet app that allows her to pay for items using her smartphone.

Xiang is part of an older generation in China that e-commerce giant Alibaba Group Holding Ltd is looking to tap as broader growth in online retail revenues slow. Xiang uses Alibaba's Alipay online payment system on her phone.

The company on Wednesday announced the launch of an "elderly friendly" version of its shopping app Taobao after causing an online stir this month by posting job adverts for candidates over 60 to act as consultants to promote the app and provide feedback.

"The big motivator here is that their revenue growth is slowing," said Benjamin Cavender, Shanghai-based principal at China Market Research Group.

"It's easier now than it was in the past to get some of these older users to actually open up their wallets and spend."

Trying to appeal to the elderly fits in with Alibaba's \$10 billion-plus spending spree to raise its presence in brick-and-mortar stores, which are

frequented more often by older shoppers.

Xiang, for example, shops at Hema Supermarket, a concept store launched by Alibaba that only accepts payments by mobile phone.

To check out, staff help Xiang scan a barcode on her smartphone at the counter and the payment is made automatically.

"My children think I'm too dull to shop online, so they do it for me," says Xiang. "But shopping with my phone (in the supermarket) is easy. I can pick for myself."

Alibaba's marketing drive to attract more elderly shoppers comes as the revenue growth of the company, which has roared to a stock market valuation of more than \$500 billion in just a few years, is slowing down.

The company's third-quarter earnings, to be reported Thursday, are expected to show revenues for the period of close to 80 billion yuan (\$12.7 billion). That would be a rise of almost 50 percent from a year earlier, but would still be the slowest growth since the fourth-quarter of 2015.

China's young, smartphone-savvy urbanites are the big drivers of Alibaba and its main rival JD.com Inc.

Mostly young, urban users between the age of 18 and 34 fueled a \$25 billion binge on Alibaba's during its 2017 Singles' Day online sales event in November.

But the older generation's pur-

chasing power is rising.

China's roughly 230 million people over the age of 60 make up more than 16 percent of the population and by the middle of the century that will rise to around a third.

Alibaba's app aimed at the older generation is much simpler than its mainstream app. It has a larger interface and can be linked to a relative's account so that children, for example, can view and pay for their elderly parent's products.

Convincing older shoppers to spend with the same gusto as their younger peers may not be easy though and their presence on Taobao is relatively small anyhow. Currently, only 6 million of Taobao's 468 million users are between the ages of 60 and 69.

But Alibaba hopes elderly consultants will help draw more of the older generation to the platform as its recent eye-catching online advertisement showed.

"Square dancing" key opinion leaders are strongly preferred for the role, the ad read, referring to the Chinese exercise phenomenon that draws crowds of elderly dancers to local parks.

Xiang says the motivation for her to go digital was clear - her closest grocery store does not accept cash.

"I'm gradually practicing (using the payment app) because it's the trend," said Xiang. "If you don't practice like this, you won't be able to live in the future."

Pran starts toiletries export to India

STAR BUSINESS DESK

Pran-RFL Group has started exporting its toiletries to India.

Swift Toilet Cleaner, Glitter Dish Wash, Glass Cleaner and Ray Detergent Powder are now also available in Bhutan and Nepal, the group said in a statement yesterday.

"We have started exporting our toiletries products to Mizoram, Manipur and Meghalaya of India this month," said Kamruzzaman Kamal, the group's director

for marketing.

"We started our journey in India in August last year through exporting Swift, Glitter and Ray branded toiletries products to Tripura, Assam and Meghalaya. Our target is to spread toiletries products across India in phases," he said.

"We have also taken initiatives to export the toiletries products to some other countries. People of Oman, the United Arab Emirates, Saudi Arabia, Qatar and some African countries will get the products soon," he added.

Bangla Chemical now sole distributor of India's Calco

STAR BUSINESS REPORT

Calco Poly Technik, one of India's fastest growing enterprises that supply solutions and technologies to plastics industry, has appointed Bangla Chemical as its sole authorised distributor in Bangladesh.

Senior officials of Calco and their local partner made the disclosure at a meeting with reporters at the Sonargaon hotel in Dhaka yesterday.

Varun Gupta, a director of Calco Poly Technik, said Bangladesh's consistent economic growth has prompted them to enter the market.

"Bangladesh's per capita consumption of plastics is only 5kg, far below the global and

Asian averages. There is huge room for growth," said Gupta.

Per capita consumption of plastics is 11kg in India and 38kg in China. It averages 22kg in Asia.

"There is huge potential for development of the plastics sector in this country and we are keen to be a part of this process," Gupta said.

The company aims to provide innovative and cost-effective solutions to original equipment manufacturers in Bangladesh. Calco is already exporting its wide-range of products to other Saarc and European countries.

MS Siddiqui, CEO of Bangla Chemical, and Vivek Ranjan, vice-president for exports of Calco Poly Technik, were present.

Customs intelligence fears rise in false declarations

FROM PAGE B1

As a result of the order, various interpretations and practices in duty assessment of products has emerged among customs offices, said the CIID in a letter to the NBR chairman earlier this week.

The letter, signed by CIID Director General Moinul Khan, said duties were calculated by taking the gross weight of imported goods as net weight.

On the other hand, some officials are determining customs duties by adding prices of packing materials separately to the value of the goods assessed based on net weight, it added.

"This discrepancy is not consistent with the international best practices," said the CIID, urging the NBR to

suspend the order immediately.

It suggested that the authority hold a session with the participation of former top officials of the NBR and stakeholders to take a decision in this regard.

The findings came amid concerns among importers and business that the sudden move by the customs authority would increase the duty of consumer goods imported in packaged form and thus lead to a spiral in prices of the commodities in the domestic market.

The NBR said it took the step in line with the global best practices of calculating the duty of the packaging materials, the cost of which is not included in the import prices of the goods.

The measure was also meant to

protect domestic manufacturers from uneven competition and duty evasion as some traders import the goods by mentioning only the net weight of the product, according to Lutfor Rahman, a member for customs policy of the NBR.

The CIID said the order has raised concerns over a rise in false declaration of imports. And a reaction has already been witnessed among businessmen, it added.

The CIID said one of the main objectives of the customs administration was to maintain a business-friendly environment by ensuring uniform practices. But the order may hamper that, it said.

This may also lead to a spiral in prices of goods and affect consumers, according to the CIID.

Bti housing fair begins in Savar

STAR BUSINESS DESK

A five-day housing fair of Building Technology and Ideas Ltd started yesterday at its community residence Shophonilash at Nabinagar in Savar.

Shophonilash is offering modern apartments at an affordable price, the real estate company said in a statement.

The fair will include a spot booking offer along with other facilities like insurance coverage.

Fair of plastic packaging tech pulls crowd

FROM PAGE B1

The company is among 360 from 16 countries including Bangladesh, India, China and South Korea showcasing plastic goods and associated production equipment from local and international markets in 680 stalls at a four-day "International Plastics Fair-2018".

Commerce Minister Tofail Ahmed inaugurated the fair at Bangabandhu International Conference Centre in the capital yesterday. It was jointly organised by the Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA) and Yorkers Trade & Marketing Service Co Ltd.

The major categories of products were household items, packaging materials, moulds, tableware, toys, pharmaceutical items, furniture, melamine products, garment accessories and polypropylene (PP) woven bags. Foreign companies are also displaying goods manufacturing machinery such as those for injection and blow moulding, polyethylene terephthalate (PET) products, and PP woven and plastic bags.

Speaking on the occasion, Ahmed said, "Two years ago I promised to give cash incentives as it is a very promising sector. Now the government is giving 10 percent cash incentive recognising the sector's potential."

"A question has been raised that some exporters are using bonded warehouses but are not getting the incentive. Proper steps will be taken to address the problem," he said.

Md Jashim Uddin, BPGMEA president, said, "This event will create opportunities for technology transfer and help bring investment."

Salman F Rahman, prime minister's private sector development affairs adviser; Judy Wang, president of Yorkers; and Giasuddin Ahmed, BPGMEA senior vice president, also spoke.

Modern insulin to be made locally

FROM PAGE B1

Rahman's comment came at an agreement signing ceremony between the two companies, held yesterday at the capital's Pan Pacific Sonargaon hotel.

The memorandum of understanding entails transfer of Novo Nordisk's proprietary state-of-the-art technology to produce human and modern insulin in cartridges to Bangladesh.

The production facility, which will be set up at a cost of Tk 300 crore, is expected to be complete in three years.

The Danish pharmaceutical giant in partnership with Eskayef has been manufacturing human insulin vials in Bangladesh since 2012, but pen-filled modern insulin products are still imported from Denmark.

It is one of the defining moments for Novo Nordisk in Bangladesh, said Sebnem Avsar Tuna, corporate vice-president for Novo Nordisk Oceania and Southeast Asia regions.

"And it is because Eskayef is a trusted partner for us," she said.

Once the facility, which will be housed at Eskayef's existing site in Tongi, is up and running, Bangladesh will be able to cut its reliance on imports.

Under the arrangement not only the technology will be transferred but also the organisational values, skills, education, training and knowledge, said Mikael Hemniti Winther, the Danish ambassador to Bangladesh.

"There are seven million or more diabetic patients in Bangladesh and today we signed a commitment for them," said Lars Bo Smidt, corporate vice-president for finance and operations at Novo Nordisk's Africa, Asia, Middle East and Oceania operations.

Novo Nordisk undertakes a due and diligent process before investing in a country.

"Today, we invest in Bangladesh. We will invest money, resources and technology. We will bring the best people here to work with the health care sector and the government," he added.

Zahid Malik, state minister for health and family welfare, said he hopes the prices will be within the means of the common people and the quality one of the best in the world.

As many as 69 lakh people are living with diabetes in Bangladesh and the figure will double to 1.37 crore by 2045, according to the International Diabetes Federation.

"I think it is much more than that. It would be around 10 million now," Malik said.

It is well-known that Bangladesh has seven million diabetic patients, but there are many patients who are unaware that they have diabetes, according to Malik.

Many people are dying because of diabetes-related complications. "It has a big impact on families, the health sector and also the productivity of the country," he added.

Sayef Uddin, secretary general of the Diabetic Association of Bangladesh (DAB), said the association has always felt that pharmaceutical products should be available in the country and must be of high quality, convenient and also affordable. "I am sure this venture will go in that way," he said.

The signing of the agreement is the testimony to the development of Bangladesh's drug industry, said AK Azad Khan, president of the DAB.

The step taken by Novo Nordisk and Eskayef is a remarkable one and Bangladesh's pharmaceutical sector would reap benefit from it, said Mustafizur Rahman, director-general of the Directorate General of Drug Administration.

The country has the potential to become a major partner of the global pharmaceutical industry, said SM Shafiuazzaman, general secretary of the Bangladesh Association of Pharmaceutical Industries.

"It will serve Bangladesh's citizens and patients," said Transcom chief Rahman, adding that the plant could even explore export potential.

Simeen Hossain, managing director and chief executive of Eskayef Pharmaceuticals, and Anand Shetty, managing director of Novo Nordisk Bangladesh, signed the agreement on behalf of the two parties. Novo Nordisk is a global healthcare company with more than 90 years of innovation and leadership in diabetes care.

This heritage has given the company experience and capabilities to help people defeat obesity, haemophilia, growth disorders and other serious chronic diseases.

Since 1958, Novo Nordisk has been working in Bangladesh, bringing in high-quality diabetes products, raising awareness among the public and training health professionals.

Over the years, Eskayef has emerged as one of the leading pharmaceutical companies in Bangladesh.

Its state-of-the-art manufacturing facility has been approved by stringent global regulators, including UK MHRA, European Medicines Agency, TGA Australia, VMD UK and the Unicef.

Eskayef is growing globally and is already exporting its products to different countries in Asia, Africa, Europe and Australia.

Transcom Distribution Company Ltd distributes Novo Nordisk's insulin products across the country. Roxana Quader, additional secretary of the health and family welfare ministry, was also present at the event.



Varun Gupta, a director of Calco Poly Technik, a solution provider in the plastic industry, and MS Siddiqui, CEO of Bangla Chemicals, attend a press meet at a hotel in Dhaka yesterday.

BP discovers North Sea oil and gas

AFP, London

British energy major BP on Wednesday announced oil and gas discoveries in the North Sea, in a boost for the company and local industry.

The discoveries were made in Capercaillie in the central North Sea, and in Achmelvich, west of Shetland, the company said in a statement. BP fully owns the Capercaillie well, while the Achmelvich well is a partnership between operator BP (52.6 percent), Royal Dutch Shell (28 percent) and US peer Chevron (19.4

percent). The Capercaillie well was drilled to 3,750 metres (12,303 feet) and found oil and gas. The Achmelvich well was drilled to 2,395 metres (7,857 feet) and located oil.

"These are exciting times for BP in the North Sea as we lay the foundations of a refreshed and revitalised business that we expect to double production to 200,000 barrels a day by 2020 and keep producing beyond 2050," said Mark Thomas, BP North Sea regional president.

Stocks plunge on BB move

FROM PAGE B1

"The sale pressure was created by a particular section of investors to create panic," said Mostaque Ahmed Sadeque, president of DSE Brokers Association of Bangladesh.

The press conference was organised by the BMBA and the DSE Brokers Association.

Sadeque, who is also a member of DSE, said the new monetary policy is stockmarket-friendly and there is no crisis in the market.

"A section of investors spread out a rumour among the investors that market will fall further. As a result market saw a big blow," he added.

The market will see volatility until February 8 over political tension, said Mohammed, also the chief executive officer of MTB Capital.

"A bunch of opportunists are spreading panic over political issues to buy shares at low price."

He called upon investors not to give in to the sell pressure because the market will bounce back soon. "Those who are selling shares now will feel irate later for losing profits," he added.

In a parallel development, DSE in a statement appreciated the BB for announcing the stockmarket-oriented monetary policy on January 29 for the second half of fiscal 2017-18.

"The new monetary policy will bring in more investment to the

stockmarket," it said.

The central bank discouraged the corporate sector from depending on banks for their long-term financing needs. It instead advised them to raise funds by issuing bonds in the capital market.

"The initiative will increase the depth of the stockmarket," the DSE said in the statement.

The central bank also put in more effort in the new monetary policy on increasing portfolio investment by non-residents, which will increase the inflow of foreign investment, according to the statement.

Turnover, which indicates how often shares change hands, stood at Tk 472 crore, up 18.3 percent from the previous day.

DSEX lost 112 points in the first half but recovered slightly in the last hour on the back of institutional investors' buying spree, according to Sadeque.

At the DSE, all the major large cap sectors declined, with non-bank financial institutions losing the most, at 2.33 percent.

Of the total traded securities, 31 gained price, 278 declined and 26 remained unchanged. DS30 and DSES were 28.05 points and 16.00 points in the red respectively.

The port city bourse, CSE, also closed in the red, while CSCX and CASPI shed 157.4 and 263.9 points respectively.