ASIAN MARKETS

TOKYO

Closed

MUMBAI

\$74.19

0.55%

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DHAKA TUESDAY MAY 1, 2018, BAISHAKH 18, 1425 BS • starbusiness@thedailystar.net

Garment sector saw highest Rice prices finally industrial disputes in 2017

REFAYET ULLAH MIRDHA

STOCKS

1.28%

CSCX

1.27%

DSEX

COMMODITIES

\$1,319.23

About half of the industrial disputes that took place last year were in the garment sector, according to the Bangladesh Institute of Labour Studies (BILS).

A total of 181 industrial disputes took place in 2017, 91 of which were in the garment sector, making it the clear frontrunner, according to a survey that was launched yes-

terday ahead of the May Day.

The next highest incidence of industrial disputes was seen in the transport sector (36), followed by tobacco (7), agriculture (6), sugar (5) and waterways transports (5), according to the Labour Situation Report 2017 of the BILS.

The paper was prepared using reports published in different blocks and 12 gatherings were seen national newspapers last year.

Some 40 percent of the dis-

putes took place over arrears, 25 percent over rights and other claims, 10 percent for closure of year. the factories, 8 percent for beating workers, 4 percent for overtime allowance and 4 percent for compensation.

A total of 68 demonstrations, 21 human chains, 18 strikes, 15 road last year, the study found.

Some 784 workers, including 21

CAUSES OF WORKER

MOVEMENT

Figures in Percentage

females, were killed in different workplace-related accidents last

CURRENCIES

BUY TK 82.50

SHANGHAI

Closed

SINGAPORE

1.03%

STANDARD CHARTERED BANK

0.74

Of the total, 307 were killed in the transport sector, making it the deadliest sector, followed by construction at 131.

Moreover, a total of 517, including 109 female, workers were injured in their workplaces last

Of the number, 158 were in the garment sector, which is the highest, followed by construction at 91. Since the garment sector is the

disputes is bound to be higher than the other sectors, said Siddiqur Rahman, president of the **Bangladesh Garment Manufacturers** and Exporters Association. Some 4.4 million workers are

largest in the country, the number of

directly employed in the apparel sector in more than 4,000 active garment factories.

And if the backward and forward linkage industries are included, the number would surpass one crore, he said.

"So, industrial disputes can take place among these workers."

But the BGMEA has strong dispute resolution measures, he said, citing the arbitration cell that realised crores of taka from factory owners to settle disputes.

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declining



>> Prices of coarse rice decline 3.65pc to Tk 38-44 a kg

>> Newly harvested paddy prices also marked a decline owing to increasing supply

>> Between July 1 last year and April 24 this year, 36.59 lakh tonnes of rice was imported in contrast to 1.33 lakh tonnes in 2016-17

SOHEL PARVEZ

Rice prices have finally started dropping off in the face of ample supply brought about by huge imports and arrivals of the fresh staple from the Boro harvests, said farmers and traders. In the last two weeks, the prices of fine haor region.

rice declined 1.54 percent to Tk 60-68 a kilogramme and that of coarse rice 3.65 percent to Tk 38-44 per kilogramme, according to data from the Trading Corporation of Bangladesh.

Newly harvested paddy prices also marked a decline owing to increasing supply and speculation of good harvest if weather remains favourable over the next three-four weeks.

"The crop is looking very good. We will be able to harvest all within a week if the weather remains like this," said Jyotimohon

Das, a farmer in the north-eastern district at Sunamganj.

But the acute shortage of farm labourers to harvest the paddy could derail the plan, he said. Last year, farmers could not bag the full

crop for floods up north, particularly in the The dry season crop Boro was harvested from 44.75 lakh hectares after crop on 2.96

lakh hectares was damaged by flash floods in the northern and north east districts. Overall, production fell 4.87 percent year-on-year to 1.80 crore tonnes in fiscal

2016-17, according to the Bangladesh Bureau of Statistics. Growers planted paddy during this Boro

season on 49.50 lakh hectares against the target of 47.25 lakh hectares, according to the Department of Agricultural Extension.

READ MORE ON B3

KEY POINTS

Private credit growth cools down in March

JEBUN NESA ALO

Private sector credit growth finally hit the brakes in March on the back of the central bank's efforts to curb aggressive lending by

In March, the credit growth stood at 17.93 percent, down 0.56 percentage points from the previous month, according to data from the central bank.

The growth though was higher than the central bank's target of 16.3 percent set for the second half of fiscal 2017-18.

At the end of March, the total outstanding private sector credit was Tk 8.71 lakh

Banks have tightened their credit activities to bring down the loan-deposit ratio to lower than 85 percent as per the central bank's directive, said Faruq Mainuddin Ahmed, managing director of Trust Bank.

"But we got here in the first place because banks had lent beyond their limit. This prompted the central bank to fire off the directive."

Following the Bangladesh Bank directive, banks that lent aggressively calmed down, which resulted in the decline in credit growth, he added.

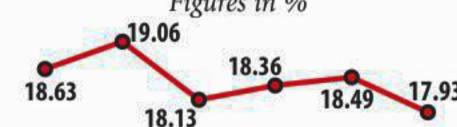
In January, the BB instructed banks to lower their loan-deposit ratio ceiling to 83.5 percent from 85 percent by June.

The move created a severe liquidity crisis, compelling the central bank to extend the timeframe for banks to adjust into the new loan-deposit ceiling to March next year.

Furthermore, in the name of the liquidity crisis, private banks, by way of its directors, particularly those who are politically linked,

PRIVATE SECTOR CREDIT GROWTH Figures in %

INDUSTRIAL DISPUTE



Oct'17 Nov'17 Dec'17 Jan'18 Feb'18 Mar'18

managed to persuade the BB to lower the cash reserve ratio (CRR) by one percentage point to 5.5 percent in April.

The move poured in an additional Tk 10,000 crore into the banking system.

"Banks adjusted their high loan-deposit ratio after relaxing the CRR instead of expanding their loan book," said a senior executive of a private bank.

Consequently, private sector credit growth will not see a pick-up anytime soon, he added.

The sudden liquidity crisis pushed up the average rate for lending to 9.55 percent in February from 9.42 percent the previous month. Though the average lending rate is still in

single digit, most of the banks are lending in double digits. New banks are offering lending rate above 13 percent, according to central bank data. Bankers were handed the concession of

reduced CRR in exchange of a promise to bring down the lending rate to single digit. But, it did not pan out that way.

"It will take three to four months to bring down the lending rate to single digit," said

Anis A Khan, managing director of Mutual Trust Bank.

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Power, infrastructure to get priority in upcoming budget: Muhith

STAR BUSINESS REPORT

Finance Minister AMA Muhith yesterday said education, health, power, energy, and infrastructure would get priority in the upcoming budget. He said the next budget would be placed in

the House on June 7 and this would be the last budget of the current government.

crore," he said.

He was talking to the board of directors of the Dhaka Chamber of Commerce & Industry led by its president, Abul Kasem Khan, when they called on him at the secretariat.

Muhith hoped that corruption in government offices would come down to a minimum level within five to 10 years.

"The size of the budget will be Tk 460,000 the next budget from the existing 35 percent, tification numbers. citing that a good number of young people were

16219 or 096040 16219

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OUR DREAM

ইউনাইটেড কমার্শিয়াল ব্যাংক লিমিটেড

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সোমবাব, ৩০ এপ্রিল ২০১৪

৩৫তম বার্ষিক সাধারণ সভা

now paying taxes.

1 TON

RANGS TOSHIBA

"I am hoping for the corporate tax to be reduced and it is under consideration," he said.

He, however, said the demand for the corporate tax to be fixed at 25 percent was an extremely ambitious one.

According to the minister, only 14 lakh peo-He also hinted at a cut of the corporate tax in ple pay tax while there are 30 lakh taxpayer iden-

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STAR BUSINESS REPORT

ACI led the fall in the yesterday as the conglomerate's first quarmore than 70 percent

earnings were Tk 5.63 down from Tk 7.95 in the same period a year ago. Sliding quarterly earnings disclosure of some other companies also impacted the DSE

Consequently, the

Rukhmila Zaman Chairman

Hajee Yunus Ahmed Vice-Chairman



United Commercial Bank Limited held 35th Annual General Meeting







Director & Chairman, Risk Chairman, Audit Committee Management Committee

United Commercial Bank Limited (UCB) held its 35th Annual General Meeting on 30 April 2018 at Kurmitola Golf Club, Dhaka presided by Mrs. Rukhmila Zaman; Chairman of the Bank. In the AGM, shareholders have approved 10% Cash dividend for the financial year 2017.

Executive Committee

Mrs. Rukhmila Zaman, Hajee Yunus Ahmed and Mr. M. A. Sabur have been re-elected as Directors of UCB and Mrs. Afroza Zaman and Mr. Muhammed Shah Alam have also been elected as Directors of UCB. Moreover, in a Board meeting at the Corporate Office of UCB immediately after the 35th Annual General Meeting Mrs. Rukhmila Zaman has been re-elected as the Chairman of UCB. One of the sponsor directors of UCB, Hajee Yunus Ahmed has been re-elected as Vice-Chairman of UCB. Mr. Anisuzzaman Chowdhury has been re-elected as Chairman, Executive Committee of the Bank. Sponsor Director Mr. M. A. Sabur has been elected as the Chairman of Risk Management Committee of UCB. Mr. Akhter Matin Chaudhury, FCA (Bangladesh), FCA (England & Wales), FCS, Independent Director of UCB has also been re-elected as the Chairman of Audit Committee of UCB.

Large-cap shares drag Dhaka stocks down

Dhaka Stock Exchange ter earnings plunged by year-on-year.

ACI's shares closed down 8.15 percent to Tk 363.50, way below Tk 583 recorded on November 12 last year, meaning the company's stock price decreased by nearly 38 percent in the last five months.

One of the largest Bangladeshi conglomerates with exposure to pharmaceuticals, consumer brands, and agribusiness, ACI has been witnessing a sharp fall in its earnings in the last six months. The company's

a share in October-December of 2017, negatively.

DSEX, the benchmark index of the bourse, shed 74.56 points, or 1.28 percent, to close the day at 5,739.22. READ MORE ON B3

