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## Govt widens reach of jute packaging law

**SOHEL PARVEZ**

The government has made packaging of two more products—poultry and fish feed—in jute bags compulsory, a move that has been objected by the feed millers due to risks of quality deterioration.

The Feed Industries Association of Bangladesh had earlier urged the government not to include feeds under mandatory packaging by jute sacks as it would expose the products to moisture, which depreciates the quality.

"It will affect farmers," said Moshir Rahman, president of the Feed Industries Association of Bangladesh.

The country's feed mills, which cater to the needs of tens of thousands of poultry farms that meet the domestic demand for chicken meat and eggs, produced 56 lakh tonnes of feed in 2017, according to the data from the Bangladesh Poultry Industries Central Council.

The sector also caters to the 1.50 crore fish farmers in the country.

If feed is to be packed in jute sacks, an additional layer of polyethylene would be required to protect them from moisture, Rahman said.

"This will not be good for the environment. At the same time, our costs will increase," he said, adding that feed mills are



using jute bags to package maize, one of the main ingredients for feed.

The feed millers will once again appeal to the government to reconsider the decision, he added.

The inclusion of poultry and fish feeds to the mandatory jute packaging umbrella comes 1.5 years after 11 agricultural items—including flour, potato, pulse, onion.

The government started enforcing the mandatory packaging law for commodities from the last quarter of 2015 to protect the interests of the jute growers and mills that remain vulnerable to fluctuations of demand in the global market for the absence of a vibrant domestic market.

Limiting the use of environmentally harmful plastic bags was another motive.

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## Plastic export tumbles

**JAGARAN CHAKMA**

Export of plastics, including recyclable scrap ones, fell nearly 16 percent in fiscal 2017-18 from a year earlier because of what the sector players and exporters say a rise in the price of raw materials and fuel.

Export Promotion Bureau data put fiscal 2017-18's figure at \$98.48 million, down from \$116.95 million in the previous fiscal year. Waste plastic exports accounted for \$13.53 million, dropping 44 percent to \$30.65 million.

The main raw material for producing plastic goods is polyolefins, derived from petrochemicals. Waste plastic is sorted according to type, shredded, cleaned and melted to form resin pellets, which can be used to manufacture other products.

Bangladesh has no unit for producing polyolefins. It, however, currently manufactures more than 142 plastic items and mainly exports intermediate products like film plastic, household items and gar-

ment accessories.

The sector is growing at about 20 percent a year on the back of spiraling demand from domestic and export markets.

In fiscal 2017-18, the domestic market size of plastic products hit Tk 25,000 crore, according to the

Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA).

Though exports grew 31 percent in fiscal 2016-17, it could not achieve the target of 33.46 percent increase to reach \$148 million.

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Plastic products are on display at an RFL Group outlet.

## Snacks maker Mondelez enters Bangladesh

**STAR BUSINESS DESK**

Snacks company Mondelez International, whose Tang brand has been in Bangladesh since 1995, yesterday announced establishing operations in the country to expand its presence in South Asia.

Mondelez is one of the world's leading biscuits, chocolate, gum, candy and powdered beverage makers, featuring global power brands with operations in 160 countries.

"The company already set up its country headquarters in Dhaka, marking its entry into the eighth most populous country in the world with around 160 million consumers," the company said in a statement yesterday.

Kallappa Pattanashetti, who was earlier with Mondelez India Foods Private Ltd, has been appointed as country lead.

"With our existing experience in Bangladesh, we see tremendous opportunity to bring in our much-loved products to this region and continue to grow here," said Pattanashetti.

"We have inaugurated our corporate office in Dhaka, rolled out billing systems and are currently in the process of establishing a new warehouse," he said.

"Over the next two years, our focus will be to invest in building our route-to-market and market share for our brands," he added.

## Continental's fire ins licence scrapped

**JEBUN NESA ALO**

The Insurance Development and Regulatory Authority (IDRA) suspended the fire insurance business of Continental Insurance Ltd for its failure to settle claims worth Tk 24.46 crore of a client.

The client, Khulna-based Jute Textile Mills, took a fire insurance policy with Continental Insurance in March 2016 and two months later was met with a fire incident.

The mill owner informed the insurer about the incident and submitted claims for compensation

with the IDRA to solve the issue.

"The registration of fire insurance of Continental Insurance has been suspended due to disdaining customer's interest and failure to comply with the authority's instruction," the regulator said in its letter to the company in June.

The suspension is for three months.

The IDRA also served a show-cause notice on Continental Insurance, asking it to explain within 30 days why its fire insurance registration should not be cancelled.

Subsequently in December 2016, the policyholder filed a complaint

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## BGMEA chief critically ill



**Siddiqur Rahman**

**STAR BUSINESS REPORT**

Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association, has been admitted to a hospital in Singapore after he suffered a heart attack in Dhaka Wednesday night.

Rahman, also the managing director of Sterling Group, a leading garment exporter, was taken to Square Hospital on Wednesday evening when he complained of chest pains after a meeting at the capital's Sonargaon Hotel in Dhaka. He is scheduled for an angiogram profiling on Monday, said Mohammed Nasir, vice-president of BGMEA.

As a leader of one of the vital trade bodies, he has recently been mediating several important issues like factory inspection and remediation by the Accord and Alliance and representing the owners in fixing of minimum wage for 4.4 million garment workers.

Rahman was elected the president of the BGMEA in September 2015 and his tenure was extended twice.

## Eco-friendly washing plant opens in Bhaluka

**STAR BUSINESS REPORT**

Mayble & Frank Ltd, an export-oriented washing plant for denims and non-denims, yesterday began its journey at Bhaluka in Mymensingh, becoming one of the few textile companies in Bangladesh that use eco-friendly effluent treatment plants.

Its ETP is based on polyvinyl alcohol (PVA) gel, which creates bacteria to reduce water wastage during wastewater treatment. It is environment-friendly and cost-effective, said company owners.

"The green initiative of the company will be con-

sidered as excellent to our buyers," said Jacqui Gray, head of sourcing of Cool Cat Asia Ltd, while speaking at the opening ceremony of the company in Bhaluka.

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The effluent treatment plant of Mayble & Frank Ltd in Bhaluka, Mymensingh.

## Protect every data to fight cyber crime

**Cyber security, audit experts say**

**STAR BUSINESS REPORT**

Bangladeshi companies should establish proper security shields to protect their official data from cyber attacks, cyber security and audit experts said yesterday.

Every organisation should think about security of their data before awarding the audit work to a chartered accountancy firm, said Luna Shamsuddoha, chairman of Janata Bank.

"Official data should be protected and archived to avoid cyber threats and loss of data," said Luna, also president of the Bangladesh Women in Technology.

She spoke in a workshop titled "Cyber security for personal and professional safety" organised by the Institute of Chartered Accountants of Bangladesh (ICAB) and Bangladesh Open Source Network (BdOSN) at the CA Bhaban in Dhaka.

The auditors should secure computer networks in their offices so as to prevent intrusions and hacking attempts, Luna said. Companies in Bangladesh will suffer because of the lack of their capacity to handle such threats, she said.

She also urged women to keep their national identity cards in a safe place and not to share passwords with anyone, not even their better halves.

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## 2018 HSBC Export Excellence Awards

As the leading international bank, HSBC seeks to promote trade by recognising exporters who have made great contributions to Bangladesh's economy by growing the 'Made in Bangladesh' brand across the globe.

Nominations for the 8<sup>th</sup> HSBC Export Excellence Awards are now open across five categories:

- Ready Made Garments
- Supply Chain and Backward Linkage (Apparel)
- Traditional and Emerging Sectors
- Small and Medium Enterprise
- Import Substitution

Nominations close on 31 August 2018, we look forward to receiving your entries.

For more information, visit [business.hsbc.com.bd/eea](http://business.hsbc.com.bd/eea) or call 01711295060

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