

**SIBL NOW**  
**Quicker Easier & Safer**  
 Transfer Fund, Pay Utility Bill, Top Up Mobile Balance & many more  
**SIBL**  
 Social Islami Bank Limited

# star BUSINESS

DHAKA MONDAY MAY 20, 2019, JAISHTHA 6, 1426 BS • starbusiness@thedailystar.net

## COMMODITY TRADERS GRIN IN RAMADAN

SAJJADUR RAHMAN and SOHEL PARVEZ

Ramadan, the fasting month for Muslims, sees a spike in demand for many commodities.

The month fuels consumption of gram, edible oil, sugar, date and onion apart from processed food, vegetables such as brinjal, green chili, cucumber and fruits.

The fasting month for Muslims, who represent 90 percent of Bangladesh's total population, also pushes up the demand for bottled water, juice, fruits and drinks.

The demand for milk and milk products shoots up 50 percent during Ramadan, said Kamruzzaman Kamal, director marketing of PRAN-RFL Group, a leading food and commodity processor.

Also, demand for puffed rice, vermicelli, snacks such as noodles increases during the month.

Ramadan accounts for 80 percent of the annual demand for puffed rice, he added.

The demand for spices and meat also go up.

But flour, rice, bread, biscuits, confectionery and jams decline during the fasting month.

The major commodity players are: Meghna Group of Industries, City Group and TK Group. There are some other companies that have dominance on some specific products, such as Chattogram-based BSM Group in gram import.

Though City Group is the leader in sugar, there are some other players such as Abdul Monem Group, S Alam Group and Deshbandhu Group that have significant market share.

ACI Group has almost one-fourth the share of the salt market.

The companies take preparation to import these goods several months in advance and get their supply chain ready for transporting these goods across the country.



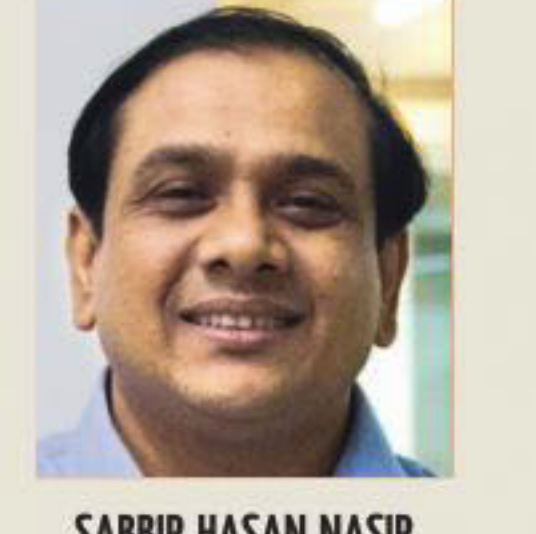
SOURCE: TARIFF COMMISSION, NBR

“



**KHONDAKER GOLAM MOAZZEM**  
RESEARCH DIRECTOR OF CPD

Most of the commodities that see a steep rise in demand are imported and that too by a select group of businesses, who view Ramadan as an opportunity to take extra margin at the cost of consumers.



**SABBIR HASAN NASIR**  
EXECUTIVE DIRECTOR OF ACI LOGISTICS

We saw a rise in consumer spending this year. Overall consumption has increased 8-10 percent during this Ramadan. This is good for the economy.

## MFS limits jacked up

STAR BUSINESS REPORT

The Bangladesh Bank yesterday raised the transaction ceiling for mobile financial service following requests from industry players with a view to promoting the alternate payment platform.

The move comes two and a half years after it had lowered the ceiling on the ground that the facility was being abused by vested quarters.

From now on, a maximum of Tk 30,000 can be deposited into an MFS account in a day, up from existing Tk 15,000. The monthly transaction ceiling has been doubled to Tk 2 lakh, according to a notice.

An individual can now deposit money into his/her account five times a day, up from two at present. In a month, he/she can make deposits 25 times as opposed to 20 times now.

The daily withdrawal limit was increased to Tk 25,000 and monthly ceiling to Tk 1.50 lakh, from Tk 10,000 and Tk 50,000 respectively.

A person can withdraw money from an account five times a day, up from two previously. Their monthly withdrawal limit has doubled to 20 times.

However, the banking regulator has not mentioned anything about the charges for withdrawing money, which is now 1.8 percent of the transaction amount. For account-to-account transfers, the ceiling has been raised to Tk 25,000 daily from existing Tk 10,000 and to Tk 75,000 monthly from Tk 25,000.

	MFS TRANSACTION LIMITS (DAILY)	
	PREVIOUS	NEW
Cash-in	Tk 15,000	Tk 30,000
Cash-out	Tk 10,000	Tk 25,000
P2P	Tk 10,000	Tk 25,000

A person can maintain at most Tk 3 lakh in an MFS account.

The ceiling is not applicable for other mobile banking services like merchant payment, online and e-commerce payments and so on.

Earlier in January 2017, the central bank had brought down the transaction limit and put some restrictions on holding multiple MFS account under the same national identity card.

Shamsuddin Haider Dalim, head of corporate communications at bKash, said they are welcoming

the move as it will help forward the government's financial inclusion agenda.

"Our economy has grown a lot over the years and people are earning and spending more than before. That's why lifting the transaction limit became the need of the hour."

Over the years, the MFS providers have brought in lots of services and people are now comfortable using the platform to buy goods and services, pay bills and disburse salaries. "That's why bKash has made a demand before the central bank," Dalim added.

The lowering of transaction limit hit the MFS players hard once the Bangladesh Post Office came up with its digital financial service platform Nagad in March last year.

Nagad had subsequently higher transaction limits and was not bound by restrictions like the MFS players bKash, Rocket and UCash as its activities fell outside the purview of the central bank.

Through Nagad, a customer will be able to make 10 transactions a day amounting to Tk 250,000 and send Tk 50,000 in one transaction. The numbers are the same for withdrawals.

"The private players of the MFS platform put pressure on the central bank to raise the transaction limit to remove the uneven competition," said a senior executive of the Bangladesh Bank.

The transaction limit was revised upwards accordingly, he added. In March, about 3.24 crore MFS users transacted Tk 34,678 crore through the platform, up 10 percent from the previous month, according to the central bank.



Third from right, Sheikh Fazle Fahim, the newly elected president of FBCCI, along with business leaders and former presidents of the apex trade body, poses at a programme on its premises in Dhaka yesterday when the new FBCCI committee took charge for 2019-2021.

## Stocks surge on policy measures

Post biggest single-day gain in two weeks

STAR BUSINESS REPORT

Stocks on Dhaka Stock Exchange (DSE) surged more than 2 percent yesterday as investors regained confidence following a number of recent policy measures.

The DSEX, the benchmark index of the premier bourse, rose 104.91 points, or 2.05 percent to 5,335.70, notching the highest single-day gain since May 6.

"The government's support to the market has boosted the confidence of general investors," said the managing director of a brokerage house.

But the turnover of the market is still low, he said, adding that had the money market not faced any liquidity crunch, there would have been more trading following the policy support.

Before yesterday's rise, the stock market had shed more than 700 points

in the last three months, prompting the Bangladesh Securities and Exchange Commission to come up with some policy decisions to halt the slump.

The regulator has increased the number of shares to be set aside for general investors in case of initial public offerings, extended the lock-in period and toughened the rules on placement share issuance.

READ MORE ON B3

## Govt mulls rice export to ensure fair price

STAR BUSINESS REPORT

Finance Minister AHM Mustafa Kamal yesterday said the government would take all measures to export rice, even if it means compensating for losses exporters might incur in the process, to ensure fair prices for farmers.

Farmers are complaining that low demand for paddy in the market resulted from high production this boro season, he added.

"I will discuss the issue with the honourable prime minister soon and will take action in this regard," the minister told a discussion on "Krishi Budget O Krishoker Budget 2019-2020 (budget for farmers and agriculture)" at his office on the planning ministry premises in Dhaka.

The market prices of paddy and

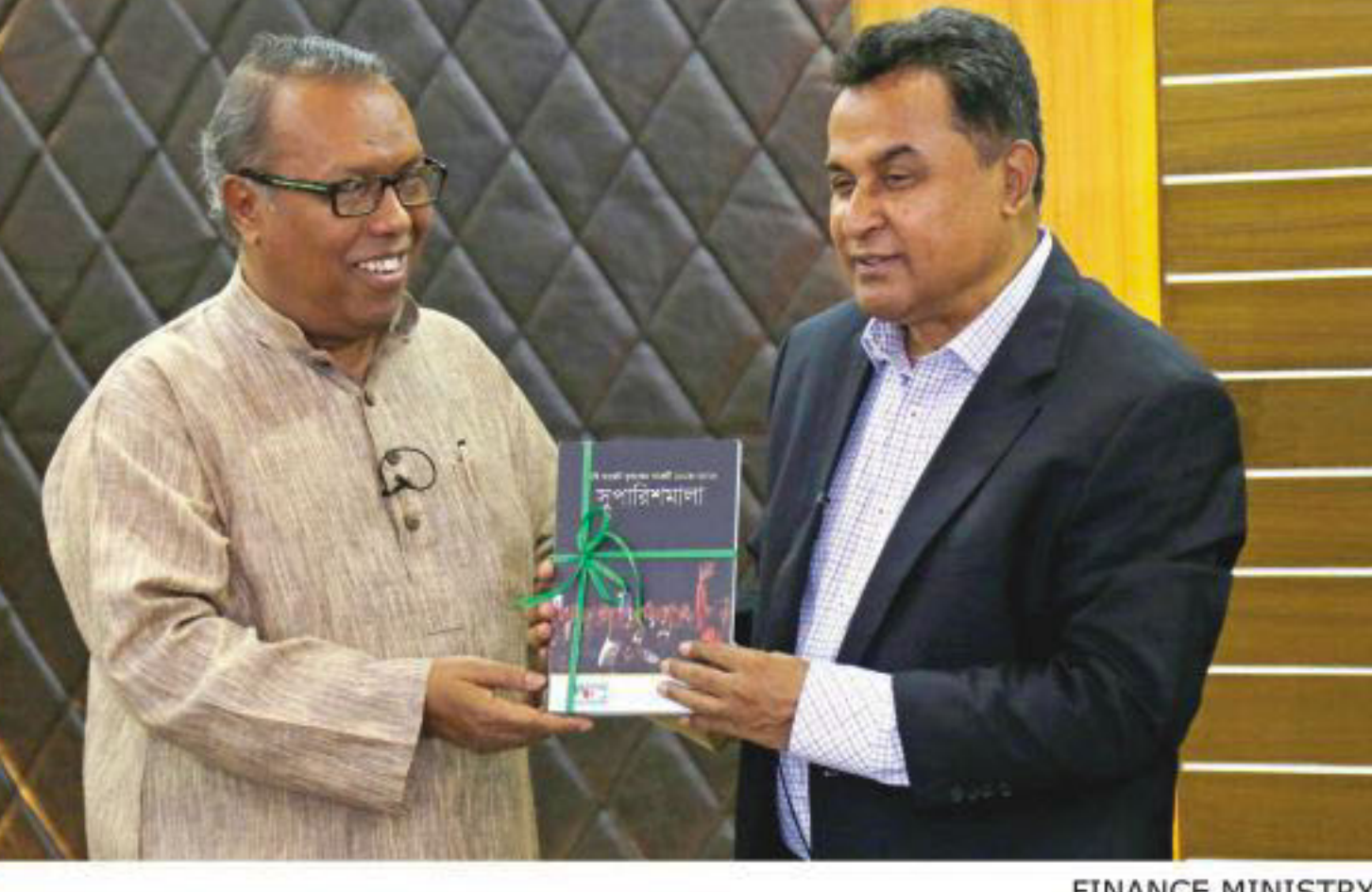
rice are lower this year because of overproduction. The low prices of rice have been creating some trouble this time. The production of paddy in other countries are also record high this year, said Kamal.

As a result, the prices of rice in other countries are also low due to oversupply, the minister said.

"This is why we will formulate a structured plan so that we can export rice in the year when the rice price will grow high. Such initiative will ensure a perfect balance between demand and supply of the staple in the domestic markets," he said.

The government cannot stop rice imports but it could discourage it through different fiscal and monetary measures, said Kamal.

READ MORE ON B3



Shykh Seraj, an agriculture development activist and a prominent media personality, presents his recommendations for agriculture centring the upcoming national budget to Finance Minister AHM Mustafa Kamal at the latter's office in the capital yesterday.

## Six TV channels ink deal to use Bangabandhu satellite

STAR BUSINESS REPORT

Six private television channels yesterday entered into agreements with Bangladesh Communication Satellite Company Ltd (BCSCL) to air programmes through the Bangabandhu Satellite-1.

The deals were signed at a programme at the InterContinental Dhaka hotel where the first anniversary of the successful launch of Bangladesh's first satellite was celebrated.

Depto TV, Somoy TV, Jamuna TV, Bijoy TV, Bangla TV, and MY TV will run programmes through the satellite, which was launched into orbit from Florida on May 12 last year under a project involving Tk 2,702 crore.

No figures on the sum involved in the contracts were given. BCSCL Chairman Shahjahan Mahmood

said BCSCL is providing low-cost services to local channels compared to existing service providers.

Other television stations will be on board within next few days, he said.

Currently, most television channels in Bangladesh, including four-state owned stations, are using the country's lone satellite on a pilot basis, officials said. There are 31 television channels in the country.

At the ceremony, BCSCL also signed a memorandum of understanding with Sonali Bank, allowing the state-run lender to take connectivity from the satellite.

Among the services, giving connectivity for television transmission and direct-to-home (DTH) service are the main features of the satellite, said Mahmood. A company has taken connectivity to launch the DTH service, said Mahmood.

READ MORE ON B3