

## “Tax reduction to import raw materials is needed to improve export of ceramics”

In conversation with M A Jabbar, Managing Director, DBL Group

What are the unique aspects of your company?

DBL Ceramics Limited started its journey with an unparalleled commitment to bring elegant and premium quality ceramic tiles to cater to the needs of all sorts of building and diverse architectural needs.

Our state-of-the-art technology and machinery from world renowned Italian brands help to ensure the promised quality. DBL Ceramics started its operations at the end of 2016. Known for its creativity and unique designs, DBL Ceramics' creations comprise both innovation and exclusivity. DBL Ceramics takes pride in its fully automated factory and production facilities – ensuring that every process follows the highest level of precision. The range of tiles includes polish, porcelain, wall tiles, technical porcelain and decor tiles in a variety of designs and shades to suit every decor with HD printing. In continuing to redefine product innovation processes and creating a wide range of diversified designs, DBL Ceramics has introduced sugar effect tiles and technical porcelain tiles in Bangladesh.

We are eyeing more innovation in our products in the coming future. We have been working for this since our inception. Our prime target is innovation and quality. We are starting the third line of production in December 2019. We will have more innovative products coming up in the new production line. With these, we believe we will be capturing a major percentage of market share in Bangladesh and we will be able to go outside of Bangladesh with our products very soon in a much bigger way.

What are the challenges you face and how do you overcome them? There are a few challenges to operate in this country as a tiles manufacturer. We have to import almost 90 percent of the raw materials. We



M A Jabbar

also face difficulties in getting them released from the Chattogram port due to congestion and the process gets delayed. As a result, it often becomes difficult to continue the proper supply of products. We need solutions for this. Also, there are a lot of importers who import tiles without giving proper taxes. It affects our country's manufacturers.

What are the things that need to be improved in the ceramics industry? What needs to be done to develop a strong backward linkage for the ceramics industry?

At this moment, almost all the ceramic tiles manufacturers are trying to develop quality of the products. But at the same time, Bangladesh hasn't experienced that much innovation in tiles. I think, we need to work more on innovation which will help cater to the current needs of the people. We need to focus on the problems that people face in their usual daily lives and find innovative solutions for those. For instance, we introduced technical porcelain for the first time in Bangladesh with an impressive feature of "anti-slippery".

To develop a strong backward linkage for the ceramics industry, we

need to produce alumina balls, frits, abrasive tools, etc., in our country. This will help us reduce the lead time to collect raw materials from outside the country. This will save both our time and money. As a result, this will help us reduce the cost and also, we might gain a competitive advantage over other countries in terms of exporting.

What is the export potential of ceramic products from Bangladesh? I think the export potential is huge but it will not happen easily. Export has been in our DNA for long. We have been working with foreign specialists to continuously develop products' quality and design. But I think the biggest challenge is that we need to import raw materials and important chemicals from outside the country.

Our biggest competitors are China and India in terms of export. These countries have the lion's share of raw materials in their own country. For Bangladesh, it's tough to compete with them in terms of pricing. If the Bangladesh government gives us the tax reduction related to importing raw materials for export purposes, I think that would help us greatly.

## “The reduction of production cost will increase the prospects for export”

In conversation with Md. Shamsul Huda, Managing Director, Great Wall Ceramic Ind. Ltd.

What are the unique aspects of your company?

We claim ourselves to be the experts of the tiles industry as our company has been dealing with this business for 33 years. Though our tiles manufacturing project has been operational for 13 years, we have been importing raw materials for tiles since 1981. We started at this rudimentary stage and intervened in the market later. So, our long-term expertise helps us excel in the market.

We have our retail chain store, from where we sell almost 40 percent of our manufactured products. The benefit is that we manufacture the goods on our own and market the products through our own stores, which helps us lead the market and keeps us ahead of the other players.

The unique aspect of our company is the lucrative design of our products. Our designs are so exquisite that when we launch a new design in the market, other companies imitate our design and bring in duplicate products.

We transformed the designs of our products with the use of the digital inkjet machine. Initially, we used printing to design the tiles, but we have upgraded the design with the application of technology in the last four years.

What are the challenges and how do you overcome them?

At present, our reliance on the supply of raw materials from Thailand and Malaysia means there are some complications. The raw materials contain moisture of around 35 to 40 percent. However, the import duty on these moisturised products affects our production cost. Since we do not get any benefit from the moisture, we are trying to convince the government to rethink the tax imposed on moisturised materials.

Currently, we are encountering a problem with skilled human

resources since this industry is comparatively new.

What innovations are you focusing on? What is the scope for further growth and improvement?

We started producing sanitaryware after tiles. We used to import the sanitaryware before from Koto Brand in Thailand. We now have started producing this brand. The good news is, this brand is now being widely used in various projects, which was

from Thailand. In future, we have the vision to create a substitute to brick kilns so that we won't have to burn our soil and woods. We still don't have cement board in our country, which we hope to produce and introduce in the market in the future. What improvements are needed in the ceramics industry? What kind of support should the government provide to the industry? For now, our primary goal should be



Md. Shamsul Huda

not possible before because of the high price. We now have this factory in Habiganj, Madhabpur and our products have already been enlisted for usage by many government organisations. I believe this is a very popular product here and will successfully satisfy the demands of the customers.

We are currently developing a new product. The government wants an alternative to the brick kiln industry, which is why we are thinking of developing an automatic plan and board factory. We already have an office where we are planning this out by importing the necessary materials

exporting the manufactured product to the competitive international market by using imported raw materials. Among all the categories, only tableware ceramics are being exported to other countries from Bangladesh. At present, we are trying to export sanitaryware. While we are attempting to boost our exports, we still have some complications since we import all the necessary raw materials. If the government provides us some facilities and support on the import of raw materials, thus reducing the cost of raw materials, our exports will be boosted at an unprecedented rate.



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