

STOCKS		Week on week	
DSEX	5.34%	CSCX	5.40%

COMMODITIES		As of Friday	
Gold	▼ \$1,582.20 (per ounce)	Oil	▲ \$49.67 (per barrel)

ASIAN MARKETS				Friday Closings	
MUMBAI	3.64%	TOKYO	3.67%	SINGAPORE	3.23%

CURRENCIES					
As on Thursday STANDARD CHARTERED BANK					
\$ USD	83.95	€ EUR	90.72	£ GBP	107.83
BUY TK	83.95	SELL TK	94.52	¥ CNY	11.81



# BUSINESS

City

DHAKA SUNDAY MARCH 1, 2020, FALGUN 17, 1426 BS • starbusiness@thethedailystar.net

India yet to formally lift ban on onion exports

PALLAB BHATTACHARYA, from New Delhi

India's Directorate General of Foreign Trade (DGFT) has not yet issued any notification on lifting of the ban on general export of onion.

All that it did on Feb 6 was to notify allowing export of 10,000 tonnes of Krishnapuram (Andhra Pradesh) variety of onion until March 31 only from Chennai airport.

In the meantime, the decision of the Indian government to withdraw the ban on all varieties of onion has prompted exporters to begin booking onions in large quantity, resulting in the rise in prices of the kitchen staple by about 25 per cent in Lasalgao market, Asia's biggest wholesale market, in Maharashtra.

The ban on onion export was taken about six months ago when wholesale and retail prices escalated for kharif crop damage caused by floods in major growing states.

READ MORE ON B3

## Declining onion prices a double-edged sword

*Agriculture ministry to push for lesser imports*

SOHEL PARVEZ and KONGKON KARMAKER

Onion prices have halved amid increasing supply and fears of flooding of the bulb after India decided to lift the ban on export -- a development that has provided relief to consumers but raised concerns for farmers.

The prices of imported onions slumped 50 per cent to Tk 70 a kg at markets in Dhaka city yesterday, from Tk 105 a week ago.

The prices of locally grown varieties dropped 21 per cent during the week to Tk 75 per kg, according to market price data compiled by state-run Trading Corporation of Bangladesh.

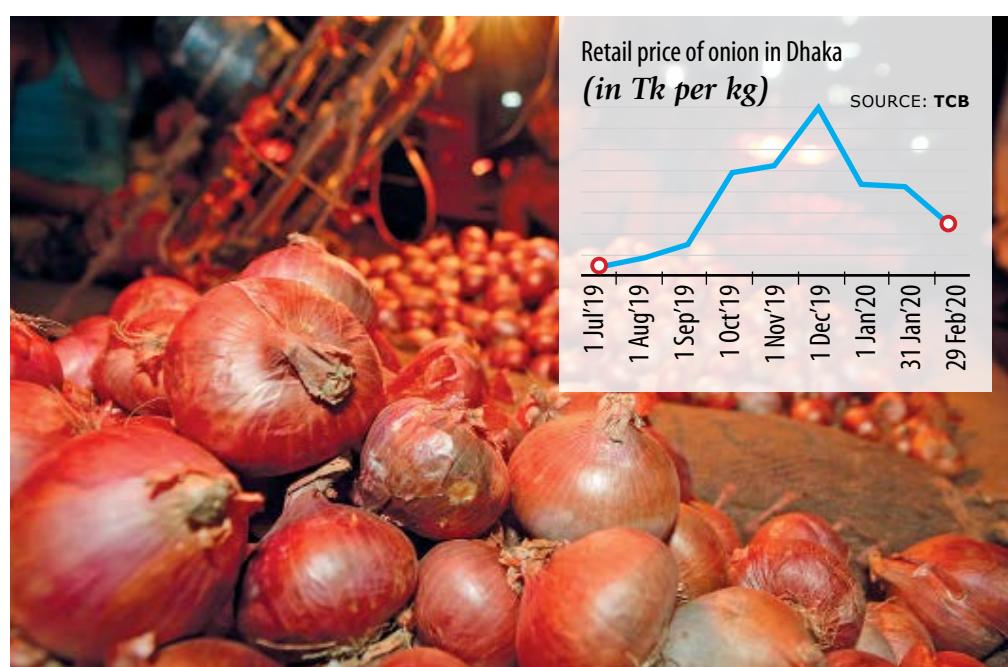
The prices of the popular kitchen item also slid elsewhere in the country.

In Dinajpur, the price declined by as much as Tk 30 a kg, depending on quality and variety, said traders at two markets in the northwestern district town.

"It is really a big relief. Now we will be able to save," said Mukti Rani Saha, a resident in Mohammadpur in Dhaka.

Saha has stopped buying onions since she had to cough up Tk 230 for a kg after India's restriction rattled the market of the perishable item owing to lower domestic availability, speculative hoarding and low import.

In the past years, retail prices of the bulb usually hovered between Tk 20 and Tk 40 a kg.



Retail price of onion in Dhaka (in Tk per kg)

SOURCE: TCB  
1 Jul '19 1 Aug '19 1 Sep '19 1 Oct '19 1 Nov '19 1 Dec '19 31 Jan '20 29 Feb '20

Consumers elsewhere were also at ease as the price had skyrocketed to its highest yet to Tk 250 a kg in Dhaka after India slapped the ban on the shipment in September last year amid a dearth of domestic yield.

Bangladesh's annual onion production has remained steady at 17-18 lakh tonnes for four years through fiscal 2018-19 against the demand of 24 lakh tonnes.

The country imports 10-11 lakh tonnes of onion to plug the shortfall, which is also caused by post-harvest losses.

Rising arrivals of locally grown onions, imports from Myanmar and

the news of the withdrawal of the export ban by India dampened the price, traders said.

"We are selling the imported onions at lesser prices to avoid losses," said Mazedur Rahman, a trader at a market in Dinajpur town.

If Indian onions enter the markets, there will be no demand for onion from Myanmar, he said.

India is yet to issue a notification on the removal of the export ban, said Dipankar Ghosh, organising secretary of the C&F Agents Association at Bhoma, one of the main onion importing ports from India, adding that the process to import will begin once the notification is issued.

READ MORE ON B3

## Dismal foreign aid use against ambitious targets

STAR BUSINESS REPORT

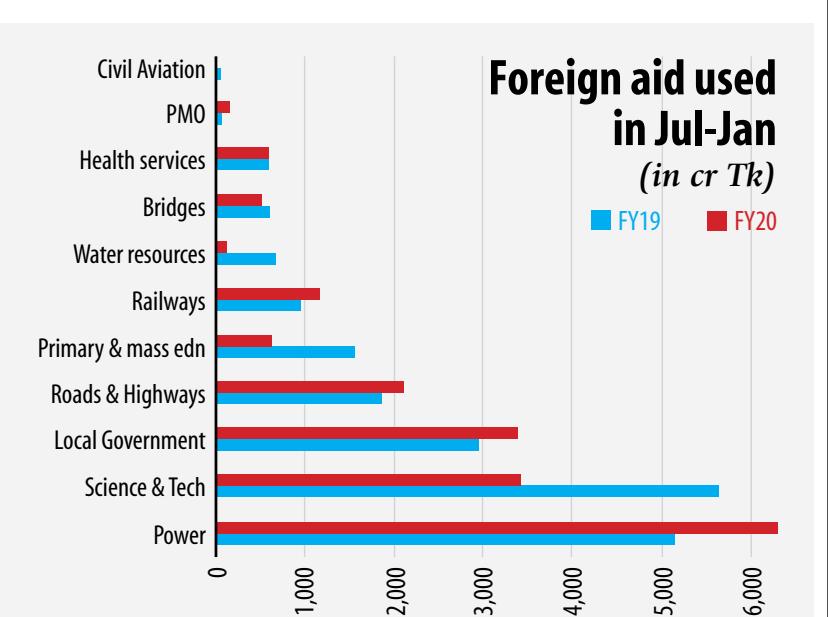
The civil aviation and tourism ministry is one of the largest recipients of development budget this fiscal year. But, it managed to spend a paltry 5.7 per cent of the Tk 3,864 crore allocation in the first seven months.

What is even worse, it couldn't spend a penny from its foreign-aided portion, which stands at Tk 2,500 crore.

Overall, foreign aid utilisation so far this fiscal year cuts a dismal picture. The ministries and division got Tk 71,800 crore in fiscal 2019-20 on the back of huge pipelines of the cheap funds. But they were able to spend 27.96 per cent, or Tk 20,073 crore, of the total outlay.

Foreign aid utilisation in the annual development programme dropped 10.88 per cent over the seven months although the government has set an ambitious target for spending from external sources.

The government plans to spend



\$8 billion from the pipeline this fiscal year, up from \$6.2 billion a year earlier, which is the highest yet,

according to data from the Economic Relations Division.

READ MORE ON B3

## From catkin field to the model economic zone

*Meghna Group unveils 9 industrial units*

STAR BUSINESS REPORT

The Meghna Industrial Economic Zone (MIEZ) located beside the Dhaka-Chittagong highway was just a catkin field five years ago but it has since turned into an industrial hub.

Situated on 110 acres of land at Tipordi under the Sonargaon upazila of Narayanganj, the MIEZ was established by Meghna Group of Industries (MGI) as the most modern economic zone of Bangladesh.

And yesterday, the local business giant flagged off nine new industrial units set up at a cost of Tk 4,000 crore at MIEZ in a bid to meet the country's growing demand for consumer products and industrial raw materials.

The units, which were inaugurated by Finance Minister AHM Mustafa Kamal, have created more than 10,000 employment opportunities.

"Meghna Group has set up these



industrial units for the people of Bangladesh. The country will develop rapidly if everyone works for one another the way Mostafa Kamal [MGI's chairman and managing director] does," the finance minister said.

Praising Kamal's initiative, Commerce Minister Tipu Munshi said that the MGI chairman is an example

of how corporate culture should be in Bangladesh.

"He is a successful entrepreneur due to his dedication and patriotism, which is a fruit of independence," he said, while thanking Kamal for selflessly helping the government mitigate the recent onion crisis.

READ MORE ON B3

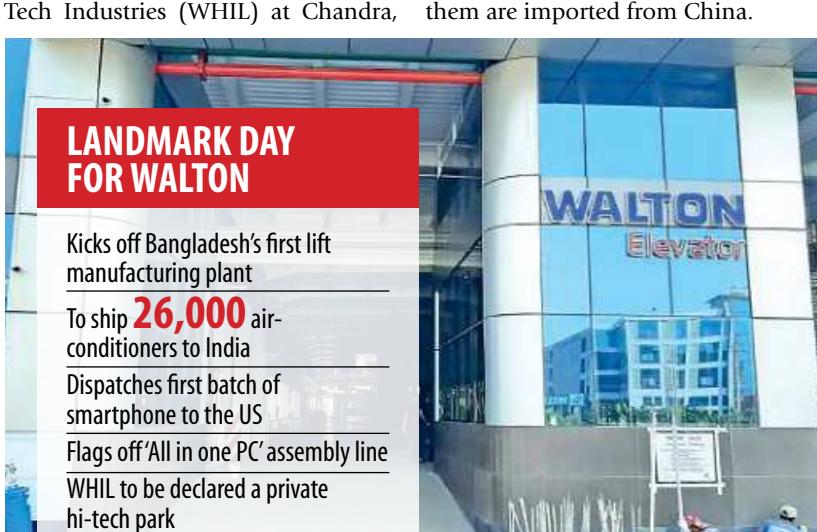
## Yet another trailblazing act from Walton

*Sets up Bangladesh's first lift manufacturing plant*

MUHAMMAD ZAHIDUL ISLAM

Local electronics giant Walton is set to flag off the country's first lift manufacturing plant, in a display of Bangladesh's growing industrial prowess.

The plant established at a cost of Tk 50 crore at the Walton Hi-Tech Industries (WHIL) at Chandra,



### LANDMARK DAY FOR WALTON

Kicks off Bangladesh's first lift manufacturing plant

To ship 26,000 air-conditioners to India

Dispatches first batch of smartphone to the US

Flags off 'All in one PC' assembly line

WHIL to be declared a private hi-tech park

The market size is not less than Tk 1,200 crore and it is growing at about 20 per cent per year, helped by widening urbanisation.

Walton is manufacturing all three kinds of lifts -- passenger, cargo and capsule lifts -- that are popular in Bangladesh.

Its passenger lift can carry a load of 300 kilogram to 3,000kg, meaning four people to 40 people at a time, while cargo elevators, which are mostly used in firms and factories, can move 800kg to 4,500kg in weight.

"We are quite happy with our own production quality," Rana said.

So confident is Walton that it will offer five-year instalment facility to customers from the beginning.

"It's not a joke. Five years is a quite long time and we are taking that much risk as we are very confident about our products."

Rana expects the overall lift price will go down once the factory begins full-fledged operation.

Importers are making huge margins and definitely this market will be corrected when our product comes."

READ MORE ON B3

## Container transport to Ctg port resumes after four days

*2,631 TEUs of containers missed export deadline*

DWAIPAYAN BARUA, Ctg

Container transport between Chattogram port and 18 inland container depots (ICDs) resumed yesterday after an 80-hour work abstention, for which some 2,631 TEUs of containers missed their shipment deadline.

Since Wednesday afternoon, the drivers and helpers of prime movers-trailers refrained from operating the vehicles as the ICD owners have been stalling issuing their appointment letters.

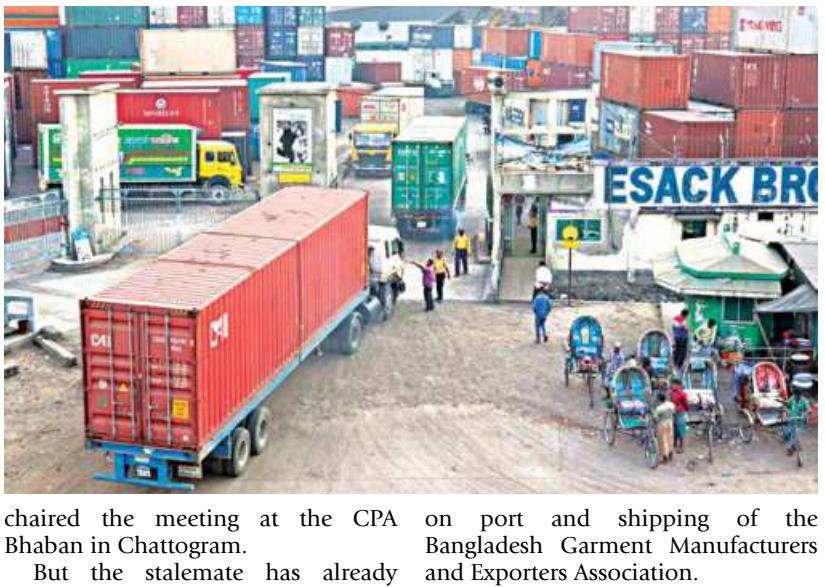
They agreed to resume operation at 4pm yesterday after a four-hour meeting between the worker leaders and ICD owners, Md Abu Bakar Siddique, general secretary of Chattogram Prime Mover-Trailer-Sramik Union, told The Daily Star.

At the meeting, the ICD authorities promised to hand over appointment letters to all the drivers and helpers of about 900 prime movers and trailers

within March 21, he said.

Zulfiqer Aziz, chairman of the Chattogram Port Authority (CPA),

sector, the country's highest export earner, said Nasir Uddin Chowdhury, chairman of the standing committee



chaired the meeting at the CPA on port and shipping of the Bhaban in Chattogram.

But the stalemate has already caused a great damage to the garment

READ MORE ON B3