Pandemic leaves Tangail's sari industry in tatters

Mirza Shakil, *Tangail*

Refaz Uddin, a traditional sari weaver based in Nagarpur upazila of Tangail, has been struggling to maintain his business for a few years now due to a fall in demand.

Uddin has continued operations at his factory, featuring nine handlooms and two power looms, by availing loans from both official and unofficial channels in hopes of better days to come.

His sufferings were compounded by the two-month "general holiday" starting March 26 last year declared by the government to shut down all economic activities in a bid to curb the spread of Covid-19.

Although the lockdown eventually came to an end on May 30, Uddin's factory in Mamudnagar stayed shut for three more months due to a lack of working capital amid low sales.

Uddin eventually reopened the factory by taking on more debt but still, sales have not reached adequate levels.

"I sell saris to markets at different places, including the capital, and also sari traders based on orders but both sales dropped abnormally due to the coronavirus situation," he said.

In order to help cover operating expenses, Uddin reduced the prices and also decreased his workers' wages. However, these measures were not enough.

"I have taken loans totalling about Tk 8 lakh from different banks, NGOs and loan sharks and am also in debt to the yarn traders and for the two power looms in my factory," he said.

"Now how can I repay the loans, I am helpless as I do not have any skill other than that of my ancestral profession," Uddin added.

MIRZA SHAKIL

Sari weavers in Tangail are going through tough times for a drop in sales amidst the slowdown in economic activities for the coronavirus pandemic, rising debts and increasing preference for power looms, *bottom left*, over the traditional hand looms, *bottom right*. The photos were taken in Kalihati and Nagarpur upazilas last week.

He went on to say that he had heard about a government loan being provided to weavers at nominal interest in order to help them survive the Covid-19 fallouts.

"But what can I do by taking more loans? Even if I produce saris again where shall I sell them? Besides, getting a loan from the government was never an easy matter for poor people like me," Uddin said.

Like Uddin, several other sari factory owners and weavers in the village and adjacent areas are suffering the same fate.

There were at least 1,500 handlooms and 3,000 weavers in the area just 15 years ago but now, the number of handlooms is no more than 60, according to locals.

As a result, many skilled weavers are leaving this ancestral profession for other occupations.

The industry as a whole has declined not just in the upazila, but across the district, they said.

According to local officials of Bangladesh Handloom Board (BHB), there are about 25,500 registered handlooms in the district's 12 upazilas. Another 25,000 power looms are affiliated with the Ministry of Textiles and Jute.

Currently, some 1.5 lakh workers are engaged in the handloom and power loom factories. About half of them are locals while the rest hail from other districts, including Sirajganj, Pabna, Kurigram and Rangpur.

However, the number of the handlooms were around 75,000 and more than 2 lakh workers were engaged in the industries about a decade ago, local weavers said.

The number of handlooms deceased due to different reasons, including the declining demand for saris and an increase in the number of power looms, they added.

Kalachad Basak, a weaver as well as one of the top sari traders of Delduar's Pathrail, known as the "capital of Tangail saris", said Tangail saris are still the first preference for many women.

Weavers in the district produce saris of different types and qualities, such as suti (cotton), Jamdani, silk, half-silk, Benaroshi, khaddar and so on.

They produce casual handloom saris as well as more expensive ones with prices ranging from Tk 300 to Tk 20,000. "The product meets the demand of people from all classes and backgrounds," Basak said.

It is necessary to bring about changes in design every season to keep up with changing trends.

So, the local sari weavers offer something new every year on the occasion of different festivals, such as Eid.

"Weavers of other parts of the country have tried to emulate the style of Tangail weavers in the past but cannot match the quality and variety," Basak added.

Raghunath Basak, president of the Sari Traders Association in Tangail, said traditional sari weavers in the district were going through a difficult time as sales of saris made using handlooms and power looms have dropped drastically in the last few years.

"The price hike of raw materials, women's dwindling interest in saris and the availability of Indian products were the major reasons behind the fall of the sales of local products," he added.

"The saris produced by local weavers are mainly sold during big festivals like Eid, Puja and Pahela Baishakh (the first day of the Bangla calendar)," said Nilkomol Basak, former general secretary of the sari traders association.

"But this time they missed those occasions due to the pandemic," he said, adding that several lakh saris which were produced last year have remained unsold.

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More talks needed to boost trade with India

Commerce minister says

Star Business Report

Commerce Minister Tipu Munshi yesterday called for more discussions between Bangladesh and India on removing various non-tariff barriers to boost bilateral trade.

"Steps will be taken to remove the trade barriers through discussions," he said.

Currently, there is an ample opportunity to boost trade by removing the barriers, according to a statement from the commerce ministry.

It is also possible to increase bilateral trade between the two countries by improving the customs facilities in bordering areas.

The commerce minister made these comments during a meeting with the Indian High Commissioner to Bangladesh Vikram K Doraiswami at the secretariat in Dhaka.

Doraiswami said a new opportunity to boost trade between Bangladesh and India has opened up by the construction of a bridge in Ramgarh point, a bordering area.

> *It is possible to increase bilateral trade between the two countries by improving customs facilities in bordering areas, Tipu Munshi says*

It is possible to facilitate bilateral trade by setting up customs and immigration offices at this point, the Indian envoy said.

The people of this area, including the Indian state of Tripura, would benefit as a result. So, the necessary measures should be taken to set up customs and immigration offices at the Ramgarh bordering areas, Doraiswami added.

READ MORE ON B3

Stock index hits 22-month high

Fuelled by increased demand in cement, telecom and pharma sectors

Star Business Report

The key index of the Dhaka bourse yesterday crossed 5,700 points for the first time in 22 months thanks to increased demand in the cement, telecom and pharmaceuticals sectors.

DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 84.70 points, or 1.50 per cent, to 5,718.

This is because investors, who had been making profits for the last few days, are pouring fresh funds into the market, according to a stock broker. "Some were still collecting profits which is why most of the stocks fell," he said.

Among the 360 stocks traded at the DSE, 128 advanced, 180 dropped and 52 remained the same.

"People think that the telecom sector has huge potential for the coming years but their stock prices are still at a low level. So, the sector's stocks were rising," the broker added.

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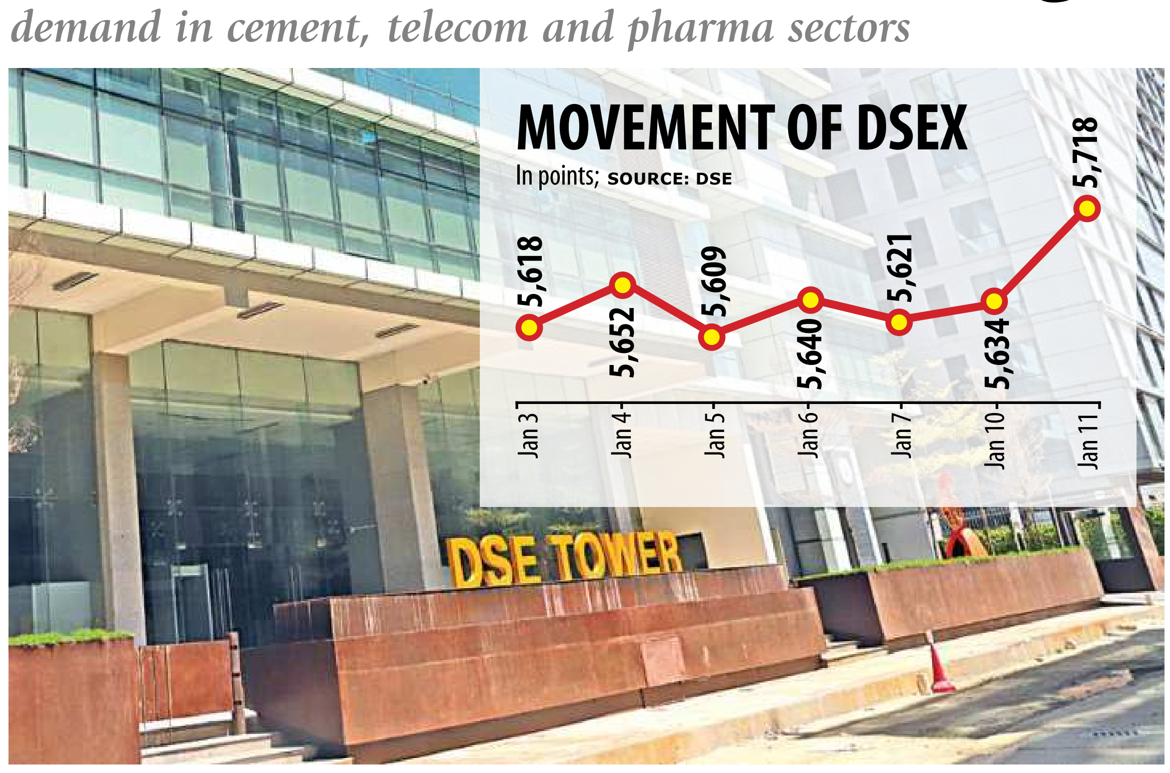

GLOBAL BUSINESS

Chinese regulators to push tech giants to share consumer credit data

Reuters, *Hong Kong*

China plans to push tech giants including Ant Group, Tencent and JD.com to share consumer loan data to prevent excess borrowing and fraud, two people with knowledge of the matter said, in Beijing's latest tightening of scrutiny.

The plan, if implemented, would effectively end the government's laissez-faire approach to the industry. Large Internet platforms have tended to resist handing over their data, a crucial asset that helps them run operations, manage risk and lure new customers.

Chinese regulators, including the central bank, plan to instruct internet platforms to feed their vast loan data to some of the nationwide credit agencies, the people said.

The agencies, which are run or backed by the People's Bank of China (PBOC), will share the data more widely with banks and other lenders to adequately evaluate risks and prevent over-borrowing, the people said. Ant and Tencent declined to comment.

JD.com and the PBOC did not immediately respond to requests for comment.

REUTERS/FILE

A pedestrian walks past an Alipay logo at the Shanghai office building of Ant Group in Shanghai.

The people declined to be identified as they were not authorised to speak to the media. Details of the regulatory proposal to include Tencent and JD.com in the loan data sharing arrangement have not been reported.

The plan adds to recent proposals to sharpen scrutiny of the technology champions and rein in empire building, mainly in the financial sector; the shift helped bring about the dramatic collapse of fintech giant Ant's $37 billion IPO in November.

Since then, the regulators have launched an antitrust probe into Ant's former parent Alibaba and ordered the fintech company to shake up its lending and other consumer finance businesses.

The latest regulatory proposal for internet companies also comes as Beijing grows wary of loose risk controls at banks, mainly smaller ones, in terms of consumer loans and their excessive reliance on platforms such as Ant to find customers.

"Smaller banks are generally in a weaker position when they partner with fintech giants like Ant. They have heavily relied on Ant's data to underwrite loans and manage risks," said one senior regulator.

"When defaults happen, they have to shoulder most of the losses," said the regulator, who declined to be named because of the sensitivity of the matter. "It's crucial for lenders to have better access to more comprehensive and detailed credit data on borrowers."

The latest regulatory attempt would likely dampen the scale and profitability of tech majors' credit businesses. That area is a cash cow, as the companies levy high service fees on banks in exchange for access to millions of customers using propriety data.

Businesses in Hong Kong want law and order

Govt official says

Reuters, *Hong Kong*

International businesses in Hong Kong see law and order as key for investing, a city government official said on Monday, in response to concern about the impact of a sweeping national security law on the business environment.

Secretary for Commerce and Economic Development Edward Yau said in an interview at a Reuters Next conference that the fact that more money was coming into Hong Kong than leaving was a sign of confidence in the global financial hub.

Many businesses and trade associations have raised concern that a new security law, targeting activities in the former British colony that Beijing considers to be subversion, secessionism, terrorism or collusion with foreign forces, effectively brings Hong Kong closer to China's authoritarian system and raises uncertainty.

"In any business, financial centre in particular, people would look at things in totality. Law and order is one very important thing," Yau said.

Hong Kong returned to Chinese rule in 1997 under a "one country, two systems" agreement that promised it a high degree of autonomy for 50 years.

The city's unbridled capitalism, guarantees of a wide range of rights and freedoms and independent legal system are widely seen as underpinning its success as a financial hub and interface for China and the world.

Since the imposition of the new security law in June, dozens of democracy campaigners including media tycoon Jimmy Lai have been arrested, some democratic lawmakers have been disqualified, activists have fled into exile and protest slogans and songs have been declared illegal.