

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▼ 0.62%	▼ 0.62%	\$1,833.67	\$57.65	▲ 2.46%	▲ 0.97%	▲ 0.72%	▲ 0.81%	BUY TK 83.95	100.38	114.04	12.79
5,564.69	9,771.55	(per ounce)	(per barrel)	49,797.72	28,362.17	2,917.29	3,533.68	SELL TK 84.95	104.18	117.84	13.44



Star BUSINESS

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India looks to beef up connectivity with Bangladesh

Says Indian High Commissioner Vikram Doraiswami in an interview

PORIMOL PALMA

The coronavirus pandemic has rattled the economies, but it has also brought some lessons: the world needs to cooperate and collaborate to develop resilient systems. So thinks Indian High Commissioner to Bangladesh Vikram Doraiswami.

"We are trying to increase our capacity to shorten the global value chain. We have seen during the pandemic that the global value chain has been heavily stressed," he said in an exclusive interview with The Daily Star recently.

The envoy spoke on how the two countries could boost trade and connectivity and remove the barriers.

"India and Bangladesh are located next to each other. In such a situation, what I am keen on is to look at some areas to start with where we can shorten the production chain and link up the two countries much more closely."

According to the envoy, many people in India and Bangladesh are



Vikram Doraiswami

dependent on agriculture, including fisheries, poultry, food, food grain, fruits and vegetables, but they get very little value in trade terms from value-addition.

"The raw stuff goes off, gets packaged and tinned elsewhere, and both of us lose out. The two

countries could work on some of the issues."

"As a result, production chains would be much better and simpler. It would be far easier, increase income and be part of the shorter value chain."

It is another area where the two countries can cooperate. Recently, the Bimstec Startup Conclave was held where a lot of young Bangladeshi companies participated.

"This is something that is uniquely suited for the two countries to cooperate because of cultural commonalities. The two countries can collaborate in the creation of OIT [over-the-top] contents and language-based AI [artificial intelligence]."

Bangladesh and India have

THE ENVOY SAYS...

India wants to strengthen railway, truck, air, cargo, inland water, coastal shipping connectivity

India has nothing to avoid the issues of non-tariff barriers that Bangladesh raised

It may provide zero-tariff benefit post-LDC graduation of Bangladesh

The protocol for cargo, passenger transport should move ahead

Two countries can cooperate in agriculture, IT

huge synergy on agriculture and IT that can be leveraged in the post-pandemic phase, he said.

He backed strengthening connectivity and establishing more links concerning railway, truck, air, cargo, inland water and coastal shipping connectivity.

"If a container from Delhi takes 50 days to reach Bangladesh via the sea route, a lot of its value is lost with the cost of doing business in India and the cost of the products in Bangladesh going up."

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Govt plans university-based tech innovation hubs

REJAUJ KARIM BYRON and MAHMUDUL HASAN

University-going students aspiring to be tech-entrepreneurs are set to get a shot in the arm as the government is planning to create innovation hubs at both public and private universities to develop digital entrepreneurship and innovation ecosystems.

Primarily seven universities will be selected as the hubs where interested students will be shortlisted, selected and trained and then facilitated with funds and office space to start their own business.

A proposal of the ICT ministry will be placed at the Executive Committee of the National Economic Council for approval today.

The implementing agency, Bangladesh Hi-Tech Park Authority, already received names of 19 universities from the University Grants Commission of Bangladesh.

Universities which can facilitate spaces of 3,000 sq ft to 5,000 sq ft will be eligible for the innovation hub, a high official of the authority told The Daily Star.

If the project is approved, a campaign will be carried out to generate interest among students of the selected universities about the initiative.

After an initial selection, a group of students will be taught about business models, making commercially viable products and its markets.

Then, eligible students will get funds from different projects of World Bank, International Development Association, start-up projects, the ICT ministry and other private business entities and housed at different high-tech parks.

The Tk 353.06 crore project will also take up initiatives such as establishment of an environmentally friendly "Janata Tower Software Technology Park-2" in the vicinity of Software Technology Park in Janata Tower at Karwan Bazar in the capital.

Other plans include creation of start-up

Under the Tk 353.06 crore project, an environment-friendly software technology park will also be established

facilities in four software technology parks and establishment of four labs as common facilities to be used by various institutions.

It is also aimed at creating skilled manpower for conducting innovation activities in software parks, connecting investors with start-ups, informing and engaging the public about start-ups and innovation activities and renovating the existing building of Janata Tower Software Park as an attractive software park installing various facilities.

Of the cost, Tk 98.06 crore will come from government sources and the rest Tk 255 crore from World Bank as a loan.

The project will take necessary steps to operate a university-centric innovation hub and provide start-up facilities to new entrepreneurs.

According to experts, these innovation hubs could play a pivotal role to make vibrant the high-tech parks which are failing to meet expectations.

"It's a good move in principle. However, universities should be selected based on their capacity. Besides, innovation hubs should be well supervised," Fouzul Kabir Khan, a former secretary to the government and large project specialist, told The Daily Star yesterday.

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BB warns of some inflationary pressure

STAR BUSINESS REPORT

Bangladesh may face some inflationary pressure in the coming months as general prices rise globally, said the central bank.

The monetary policy committee (MPC) of the central bank analysed the trend of commodity and food price indexes of the World Bank and the Food and Agriculture Organisation.

It said the global inflation may rise in the near future.

"As a result, inflation [in Bangladesh] may face a bit pressure in the near future," said the Bangladesh Bank in a press release.

Inflation is now on a downward trend as the government has taken some time-befitting decisions, including the reduction of the import duty of rice, according to the central bank.

The MPC expects that inflation will remain with the target, which is 5.4 per cent for the current fiscal year.

The central bank has revised monetary policy for the second half of the fiscal year by taking an expansionary stance is consistent with its previous programme.

The MPC kept the private sector credit

TARGETS IN MONETARY POLICY

Private sector credit growth unchanged at **14.8%**

Bringing down credit growth to public sector to **31.7%** from **44.4%**

Growth of reserve money unchanged at **13.5%**

Cutting broad money growth to **15%** from **15.6%**

Policy rate unchanged

growth unchanged at 14.8 per cent for 2020-21. It was 8.37 per cent in December.

The central bank has not changed its policy rate, keeping it at 4.75 per cent.

The central bank has decided not to change the private sector credit growth as the economy may get normalcy from the ongoing slowdown in the near future.

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Export drops 5pc in January

REFAJET ULLAH MIRDHA

Earnings from merchandise exports fell 4.99 per cent year-on-year to \$3.43 billion in January because of slower recovery of garment shipment from the pandemic-induced business slowdown, official data showed yesterday.

January's receipts were 9.58 per cent lower than the monthly target of \$3.80 billion, according to data from the Export Promotion Bureau (EPB).

Between July and January, the first seven months of the fiscal year, the shipment of garment, which typically contributes more than 80 per cent to the national export, declined 3.44 per cent year-on-year to \$18.40 billion.

Of the earnings from the apparel export, \$9.98 billion came from the knitwear shipment, which was up 3.84 per cent. The export of woven items declined 10.85 per cent to \$8.41 billion.

The shipment of woven items has been declining since June last year as many people have confined themselves to homes and many worked from home because of the deadly virus.

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TOP EXPORT EARNERS

Jul-Jan FY21 (Earnings in million \$) | Change in % (year-on-year)

Knitwear	Woven garments	Jute, jute goods	Home textile
9,989	8,419	765	639
▲ 4%	▼ 11%	▲ 27%	▲ 44%
Agri-commodities	Leather, leather products	Engineering products	Frozen fish
591	526	310	308
▼ 2%	▼ 6%	▲ 59%	▼ 9.00%

Bike registration fee halved

JAGARAN CHAKMA

The government yesterday slashed motorcycle registration fees by half, a demand long being made by two-wheeler makers.

From now on, motorcycles of engine capacities of up to 100cc will cost Tk 2,000 to be registered, down 52 per cent from Tk 4,200.

For those over 100cc, the fee cut has been 46 per cent to Tk 3,000 from Tk 5,600, said Bangladesh Road Transport Authority (BRTA).

This is expected to boost motorcycle sales which has been downed in recent times for the first time in three years since the government slashed supplementary duty on component import by 25 percentage points to 20 per cent to encourage domestic production.

Sales dropped 11 per cent year-on-year to 4.7 lakh units in 2020 from nearly 5.30 lakh units, showed data from the Bangladesh Motorcycle Assemblers and Manufacturers Association.

"Both the government and



CHANGE IN REGISTRATION FEE

Engine capacity	Previous	New	Change
Below 100cc	4,200	2,000	-52%
Above 100 cc	5,600	3,000	-46%

users will be benefited...Now everybody will register their motorcycles in rural areas," said Hafizur Rahman Khan, chairman of Runner Group, a pioneer of this sector in Bangladesh.

The BRTA's proposal was a reduction of 4.9 per cent for those under the first category which bear an average price tag of Tk 90,000 and of 8.4 per cent for the others available for around Tk 2 lakh.

In Bangladesh, the motorcycle registration fee is a combination of charges for registering and inspecting the vehicle alongside a road tax with a two-year validity. A public-private joint economic

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Mir Akhter stocks max out on debut

STAR BUSINESS REPORT

Stocks of construction and engineering company Mir Akhter Hossain rose to the highest permissible level on its market debut yesterday all the while the index was witnessing a fall.

The rise was 50 per cent, the maximum allowed for a newly listed company for its first three days of trade as per a directive of the Bangladesh Securities and Exchange Commission (BSEC), taking the price to Tk 81.

Meanwhile, the DSEX, the Dhaka Stock Exchange's (DSE) benchmark index, dropped 35.1 points, or 0.62 per cent, to 5,564.69.

Despite the fall, there were a few sellers of the Mir stocks. At the end of the day, only 730 shares were traded worth Tk 60,000 on the DSE.

As the company attained attractive profits, investors are hopeful of its stocks garnering a good price, said Abdul Rahim, an IPO hunter.

The terminology denotes those investors who maintain a huge number of beneficiary owner accounts to get a hold of shares from initial public offerings (IPO).

"I think the company has potential so institutional investors will keep the shares in their account. The stock price will rise more," hoped Rahim.

For this reason, the IPO winners did not sell their shares on the first day, he added.

Mir raised Tk 125 crore in funds from the market to expand its business, purchase equipment and repay bank loans.

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US GDP to recover from pandemic mid-2021

AFP, Washington
The world's largest economy will recover from the coronavirus pandemic by the middle of 2021, the US Congressional Budget Office (CBO) said Monday, sooner than it had forecast last year.

However employment will take longer to recover, after business shutdowns to stop Covid-19 from spreading caused mass layoffs in the United States beginning last March. "CBO currently projects a stronger economy than it did in July 2020, in large part because the downturn was not as severe as expected and because the first stage of the recovery took place sooner and was stronger than expected," the nonpartisan office serving Congress said. "In CBO's projections, the unemployment rate gradually declines through 2026, and the number of people employed returns to its pre-pandemic level in 2024," while the labor force recovers by 2022. As it grappled with the world's largest outbreak of Covid-19, the United States last year endured its worst economic contraction since 1946, while the unemployment rate has shot up from historic lows prior to the pandemic. Congress has passed nearly \$4 trillion in stimulus measures aimed at helping individuals and small businesses during the pandemic, and analysts say spending has helped the economy avoid an even worse downturn.



Telecom Minister Mustafa Jabbar attends the finale of digital marketing competition MarXcellence, sponsored by Samsung, through a digital platform recently. Team GS and the Boys of North South University become champion.



M Affan Yusuf, managing director of City Brokerage; Imtiaz Ahmed, chairman of Magnus Corporation, and Primal Silva, a business development manager of DirectFN, attend a deal signing ceremony recently. Using an "Order Management System" software of DirectFN, City Brokerage will be able to conduct trade for clients on both Dhaka and Chattogram stock exchanges.

India's Oct-Jan sugar output jumps 25pc to 17.7m tonnes

REUTERS, Mumbai
Indian sugar mills produced 17.7 million tonnes of sugar in the first four months of the 2020/21 marketing year which started on Oct. 1, up a quarter from a year earlier as production jumped in western state of Maharashtra, a leading trade body said. The country is the world's second biggest sugar producer and the higher output could weigh on global prices. Maharashtra, the country's second biggest sugar producing state, churned out 6.38 million tonnes of sugar in the four months, compared to 3.46 million tonnes a year ago, the Indian Sugar Mills Association (ISMA) said in a statement on Tuesday. India doubled import tax on denatured ethyl alcohol to 5 per cent in the annual budget on Monday. The decision would make imports expensive and boost demand for local alcohol, the trade body said. The country's sugar mills produce alcohol from cane juice and molasses, a by-product of sugar-making.

Chittagong Hill Tracts Development Board
Unit Office
Khagrachari
Memo No. 29.31.0000.012.07.002.21-3467, Date: 02-02-2021

Amendment of e-Tender Notice (Limited Tendering Method)

This is to notify all concerned that the following tenders have amendment through e-GP Portal:

Tender ID & Package No.	Description	Publication date & closing date
538371 & CHTDB-KHAG/2020-2021/221001100-94	Construction of Shree Shree Shyama Kali Mondir at Bhaibonchara union within Khagrachari Sadar upazila under CHTDB Khagrachari.	19-Jan-2021 09:00 & 18-Feb-2021 14:30
538416 & CHTDB-KHAG/2020-2021/221001100-116	Construction of connecting road from Ballyachari Kitorchara to Shashato Banglow within Matiranga upazila under CHTDB Khagrachari.	19-Jan-2021 09:00 & 18-Feb-2021 14:30
538605 & CHTDB-KHAG/2020-2021/221001100-85	Completion of incomplete road with protective work from Chowdhurypara Passenger Shed to Jewel Ahmad house within Guimara upazila under CHTDB Khagrachari.	19-Jan-2021 09:00 & 18-Feb-2021 14:30
538634 & CHTDB-KHAG/2020-2021/221001100-87	Construction of Boundary wall at Chittagong Hill Tracts Development Board Rest House under CHTDB Khagrachari.	19-Jan-2021 09:00 & 18-Feb-2021 15:00
538648 & CHTDB-KHAG/2020-2021/221001100-88	Construction of Shosan Shed and Stair of Kaladeva Tripura Shosan within Ramgarh upazila under CHTDB Khagrachari.	19-Jan-2021 09:00 & 18-Feb-2021 15:00

The interested firms/persons may visit the website: www.eprocure.gov.bd to get the details of the tender.
This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP Portal (<http://www.eprocure.gov.bd>) is required.
Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).

SD/-
Md. Mozibul Alam
Executive Engineer
Chittagong Hill Tracts Development Board
Khagrachari
GD-222

Government of the People's Republic of Bangladesh
Office of the Project Director and Chief Mechanical Engineer (Project)
Bangladesh Railway, Rail Bhaban, 16, Abdul Gani Road
Dhaka-1000, Bangladesh

Invitation for Re-Tenders (IFT) (International)

Government of the People's Republic of Bangladesh

1	Ministry/Division	Ministry of Railways.
2	Agency	Bangladesh Railway.
3	Purchaser name	Project Director, Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives for Bangladesh Railway, & Chief Mechanical Engineer (Project), Bangladesh Railway, Room No. 626, Rail Bhaban, 16, Abdul Gani Road, Dhaka, Bangladesh.
4	Purchaser code	Not used at present.
5	Purchaser district	Dhaka
6	Invitation for	Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives for Bangladesh Railway.
7	Invitation Ref No.	MECH/LM/21 MG LOCO/Renovation/Re-Tender
8	Date	01 February, 2021.

KEY INFORMATION

9	Procurement method	Open Tendering Method, International Competitive Bidding (OTM, ICB): One Stage Two Envelope Tendering Method.
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FUNDING INFORMATION

10	Budget and source of funds	Government of Bangladesh (GOB).
11	Development partners (if applicable)	Not applicable.

PARTICULAR INFORMATION

12	Project/programme code (if applicable)	224292900
13	Project/programme name (if applicable)	Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives for Bangladesh Railway.
14	Tender Package No.	GD-1
15	Tender package name	Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives with necessary components and spares for Bangladesh Railway.
16	Tender publication date	04 February 2021
17	Tender last selling date	15 March 2021
18	Tender closing date and time	16 March 2021 11.00am
19	Tender opening date and time	16 March 2021 11.30am
20	Name & address of the office(s)	Address Project Director, Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives for Bangladesh Railway & Chief Mechanical Engineer (Project), Bangladesh Railway, Room No. 626, Rail Bhaban, 16, Abdul Gani Road, Dhaka, Bangladesh.
	- Selling tender document (principal)	Project Director, Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives for Bangladesh Railway & Chief Mechanical Engineer (Project), Bangladesh Railway, Room No. 626, Rail Bhaban, 16, Abdul Gani Road, Dhaka, Bangladesh.
	- Selling tender document (others)	Not applicable.

No conditions apply for sale, purchase or distribution of tender documents

- Receiving tender document	Project Director, Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives for Bangladesh Railway & Chief Mechanical Engineer (Project), Bangladesh Railway, Room No. 411, Rail Bhaban, 16, Abdul Gani Road, Dhaka, Bangladesh.	
- Opening tender document	Project Director, Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives for Bangladesh Railway & Chief Mechanical Engineer (Project), Bangladesh Railway, Room No. 411, Rail Bhaban, 16, Abdul Gani Road, Dhaka, Bangladesh.	
21	Place/date/time of pre-tender meeting (optional)	Not applicable.

INFORMATION FOR TENDERER

22	Eligibility of tenderer	As stated in the tender document.			
23	Brief description of goods or works	Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives, Procurement and shipment goods, dismantling of locomotives, replacement of spares/components, reconditioning of spares and components, assembling of spares and components in locomotives, testing, commissioning and trial running of locomotives.			
24	Brief description of related services	Not applicable.			
25	Price of tender document (Tk)	Taka 10,000.00 (ten thousand) Pay Order in favour FA & CAO, Project, Bangladesh Railway, Dhaka.			
26	Lot No.	Identification of lot	Location	Tender security amount (USD)	Completion time in weeks/months
	GD-1	Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives with necessary components and spares for Bangladesh Railway.	Central Locomotive Workshop, Parbatipur, Dinajpur, Bangladesh.	USD 750,000.00 (seven hundred fifty thousand)	30 months from effective date of contract agreement.

PURCHASER DETAILS

27	Name of official inviting tender	Partha Sarkar.
28	Designation of official inviting tender	Project Director, Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives for Bangladesh Railway & Chief Mechanical Engineer (Project), Bangladesh Railway, Room No. 626, Rail Bhaban, 16, Abdul Gani Road, Dhaka, Bangladesh.
29	Address of official inviting tender	Room No. 626, Rail Bhaban, 16, Abdul Gani Road, Dhaka, Bangladesh.
30	Contact details of official inviting tender	Mobile No. +8801711692965 E-mail: parthaitna@gmail.com ddppncloco@railway.gov.bd
31	The purchaser reserves the right to reject all tenders or annul the tender proceedings.	

GD-226

Partha Sarkar
Project Director
Renovation of 21 Nos. Meter Gauge Diesel Electric Locomotives for Bangladesh Railway

Economic growth has devastating cost to nature, review finds

AFP, Paris
Humanity's unbridled growth in recent decades has come at a "devastating cost to nature" according to a wide-ranging international review on the vital economic role played by our living planet.

The 600-page rundown of scientific material commissioned by the British government highlighted the precarious state of biodiversity and warned that only a sea change in how countries power economic growth could prevent catastrophic impacts for nature, and humanity.

The Dasgupta Review -- a two-year global collaboration of hundreds of academics overseen by Partha Dasgupta, professor emeritus of economics at the University of Cambridge -- said that all livelihoods depended on the health of the planet.

It showed that while global capital produced per person had doubled in the three decades since 1992, the stock of natural capital -- that is, the quantifiable benefit an individual derives from services bestowed by nature -- had plunged 40 percent. "While humanity has prospered immensely in recent decades, the ways in which we have achieved such prosperity means that it has come at a devastating cost to nature," the review said. It called for a fundamental redressing of humanity's demands and nature's supply, warning that biodiversity is intricately linked with human wellbeing and health. Some species are going extinct up to 1,000 times faster than the historical average, "undermining nature's productivity, resilience and adaptability", the review said.

It warned that catastrophes related

to nature loss -- including the Covid-19 pandemic which was driven by land-use changes and species exploitation -- could prove to be "the tip of the iceberg" if development continued at its current rate. "We are totally dependent upon the natural world," renowned naturalist David Attenborough wrote in a foreword to the review. "It supplies us with every oxygen-laden breath we take and every mouthful of food we eat. "But we are currently damaging it so profoundly that many of its natural systems are now on the verge of breakdown. "The economic benefits of biodiversity had historically been missed from growth models, distorting the value

of capital accumulation and leaving crucial conservation programmes chronically underfunded, said the review.

With an estimated \$4-6 trillion in funding each year going to unsustainable economic activities such as fossil fuel use and damaging farming techniques, governments "exacerbate the problem by paying people more to exploit nature than to protect it", it added. It called for a new way of defining economic wellbeing, one that takes nature's services into account, to replace the traditional GDP model.

But it warned that choosing a more sustainable growth trajectory would require international will and coordination

"akin to, or even greater than, those of the Marshall Plan".

Such a sustainable future would include a total decarbonisation of the global energy system, the review concluded.

Moreover, properly managing Earth's precious resources would involve people in richer nations changing consumption and wasteful habits, and better access to finance and education for women. "Never before has it been so important to consider the economics of nature and the role biodiversity plays in supporting a healthy economy," said Guy Poppy, professor of Ecology at the University of Southampton, who was not involved in the review. "Two of the major challenges currently facing humankind -- climate change and Covid -- both illustrate the need to link economics with the environment and to rethink how we will become more prosperous and healthy in the future. "The review warned of waning biodiversity within Earth's soil, which provides 65 percent of the planet's fresh water and 99 percent of humans' caloric intake.

Together with this, its capacity to absorb carbon pollution, and provide shelter and medicine, nature is estimated to provide around \$33 trillion worth of services to the global economy.

But land-use changes, urban development and large-scale farming are threatening nature's vital ecosystems with imminent collapse, the review said. "Science shows us that nature is teetering on a knife-edge -- future generations will judge us for how we respond," said Jennifer Morris, CEO of The Nature Conservancy.



Flamingos prepare to fly over Al-Qudraa Lake in Dubai.

REUTERS/FILE

Panasonic hikes full-year forecasts despite virus impact

AFP, Tokyo

Japanese electronics giant Panasonic on Tuesday revised its full-year forecasts upwards, citing sales growth and cost-cutting efforts, but said profit declined in April-December as the coronavirus pandemic battered the global economy.

For the 2020/21 financial year, the firm now expects a 150 billion yen (\$1.4 billion) profit on sales of 6.6 trillion yen.

Its previous forecasts were for 100 billion yen and 6.5 trillion yen respectively.

The hikes reflect "recent growth in sales" and the "strengthening of our business structure", Panasonic said in a statement.

For the April-December period, the company posted net profit of 130.14 billion yen, down 27 percent year-on-year, on sales of 4.87 trillion yen, which were down 15 percent.

Panasonic on Monday said it would stop producing solar panels, a sector in which it was once a global pioneer but has in recent years been overtaken by rivals from China.

Bike registration fee halved

FROM PAGE B1

The good news is that the middle class who use motorcycles for easy movement will be benefited, he said.

Shah Muhammad Ashequr Rahman, head of finance and commercial, Bangladesh Honda Private, said due to the effective initiatives of the government in reducing prices of motorcycles, the vehicle has turned into a necessity rather than an item of luxury.

"Reducing the registration fees is one of the advance developments to make the motorcycle into a necessity item for the daily mobility which will contribute to run the wheels of the economy," he said.

"We expect the other costs related to motorcycle registrations fees like digital registration certificate, retro-reflective number plate with RFID tag, inspection fees, 15 percent supplementary duty, road tax (for 10 years) and VAT will be reviewed gradually," he added.

BB warns of some inflationary pressure

FROM PAGE B1

The public sector credit growth target revised down to 31.7 per cent from 44.4 per cent.

The central bank has changed the target given the weak credit demand from the government, said a BB official.

The MPC came up with the decision at a meeting on January 31 at the central bank headquarters.

The target of the reserve money (RM), which was set at 13.5 per cent in July last year when the BB announced the monetary policy, did not see any change.

RM is also called central bank money, monetary base, base money, or high-powered money. It is the base level for the money supply or the high-powered component of the money supply.

The growth of RM stood at 21.3 per cent in December.

The central bank's growth target for RM may surpass at the end of the fiscal year as remittance has been on the rise in recent months whereas import demand is low, said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

Banks will be forced to sell their foreign currency to the central bank in the days ahead like in the recent months, which will push up the RM growth.

The central bank purchased American greenback worth a record \$5.49 billion in the first half of the current fiscal year to keep stable the exchange rate of the local currency.

The central bank has lowered the growth of broad money to 15 per cent in contrast to its previous target of 15.6 per cent. Board money growth stood at 14.3 per cent in December. Broad money is a category for measuring the amount of money circulating in an economy.

Lower credit demand from both public and private sectors may help the central bank reduce the broad money growth. The board money growth may accelerate if the growth of RM goes up, Mansur said.

The government has recently revised its GDP growth to 7.4 per cent for FY21 from 8.2 per cent. For this reason, the central bank has lowered the growth of the board money, the BB press release said.

Mansur said the central bank should monitor the money market cautiously as there was a strong possibility of a widening of net foreign assets (NFAs) in the coming months due to higher remittance and lower imports.

"This will push the supply of the reserve money, which will widen the volume of the excess liquidity."

Excess liquidity in the banking sector surged 95 per cent year-on-year to Tk 204,700 crore in December, data from the central bank showed.

The central bank should prepare to intervene in the money market to mop up the excess liquidity to protect the economy from the asset bubble, the former official of the International Monetary Fund said.

Export drops 5pc in January

FROM PAGE B1

Longer stay at homes has pushed up the demand for knitwear items.

The export continues to show a depressing trend, reflecting the worrying scenario in the global trade, particularly with regard to readymade garment, according to data from the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

The latest export data published by the EPB shows that garment export in January declined 7.01 per cent year-over-year and woven export dropped 13.89 per cent.

"The major markets of our RMG items are struggling with the intensity of the pandemic," said BGMEA President Rubana Huq.

Kazi Belayet Hossain, president of the Bangladesh Frozen Foods Exporters Association, said frozen fish was sold for \$12 to \$12.5 per pound before the pandemic. Now the same quantity of frozen fish is being sold for \$9 to \$9.5 per

pound. "The second wave is affecting the frozen fish severely."

Unfortunately, frozen fish exporters did not get adequate loans from the government-sponsored stimulus package, Hossain said.

"The stimulus package should be extended at least for one more year."

Jute and jute goods shipment rose 27.08 per cent year-on-year to \$765.63 million between July and January. Home textile export was up 44.34 per cent to \$638.96 million.

Shipment of leather and leather goods declined 5.78 per cent to \$526.58 million, terry towel shipment slipped by 2.79 per cent to \$23.31 million, frozen and live fish export fell 8.62 per cent to \$308.26 million, and agricultural product shipment went down 2.06 per cent to \$591.49 million.

The overall export receipt between July and January declined 1.09 per cent year-on-year to \$22.67 billion, EPB data showed.

Mir Akhter stocks max out on debut

FROM PAGE B1

Its cut-off price was Tk 60, so general investors got shares at Tk 54 and institutional investors won the shares at their bidding price.

Turnover, an important indicator of the stock market, dropped 2 per cent, to Tk 702 crore yesterday. Mir topped the gainers' list followed by Aramit Cement, GQ Ball Pen Industries, Alltex Industry and Meghna Condensed Milk Industries.

The stock market has been witnessing a falling trend in the last few days as many investors sold their shares to pocket their profits, said an analyst of an asset management company.

But a fall in turnover is not a good sign, he said, adding that investors should be

patient with good stocks. He recommended avoiding buying junk stocks to safeguard investments. Beximco topped the turnover list with trade worth Tk 128 crore followed by British American Tobacco Bangladesh, Beximco Pharmaceuticals, Robi Axiata and LankaBangla Finance.

Eastern Insurance Company shed the most falling 6.90 per cent to Tk 94 followed by Provati Insurance Company, Savar Refractories, Asia Insurance and Shyampur Sugar Mills.

The port city bourse also dropped yesterday. The CASPI, the general index of Chittagong Stock Exchange (CSE), fell 99 points, or 0.60 per cent, to 16,197.

Among 240 stocks witnessing trade, 71 rose, 105 dropped and 64 remained the same.

Govt plans university-based tech innovation hubs

FROM PAGE B1

"If you locate these hubs at a university which has no capacity, that will be a loss project," he said.

The government is setting up over 28 high-tech parks to create an investment-friendly environment and create employment through the growth and development of information technology-based industries.

It also plans to create high-tech parks in 64 districts.

Janata Tower Software Technology Park in Dhaka, Bangabandhu Hi-Tech City in Gazipur, Sheikh Hasina Software Technology Park in Jessore, Sheikh Kamal IT Training and Incubation Center in Natore and Bangabandhu Sheikh Mujib Hi-Tech Park in Rajshahi has already become operational.

Tesla to recall 135,000 US vehicles under pressure from auto safety regulators

REUTERS, Washington

Tesla Inc has agreed to recall 134,951 Model S and Model X vehicles with touchscreen displays that could fail and raise the risk of a crash after US auto safety regulators sought the recall last month, according to a recall posted on a government website Tuesday.

The National Highway Traffic Safety Administration (NHTSA) made the unusual recall request in a formal Jan. 13 letter to Tesla, saying it had tentatively concluded the 2012-

2018 Model S and 2016-2018 Model X vehicles pose a safety issue. Automakers usually agree to voluntary fixes before the auto safety agency formally seeks a recall.

The agency said touchscreen failures posed significant safety issues, including the loss of rearview or backup camera images, exterior turn-signal lighting, and windshield defogging and defrosting systems that "may decrease the driver's visibility in inclement weather."

NHTSA had required Tesla to respond to its recall demand by Jan. 27. Tesla agreed that same

day to the recall, the company said.

Tesla said in its filing with NHTSA that "in the interest of bringing administrative closure to the investigation and to ensure the best ownership experience for our customers" it agreed to a voluntary recall.

NHTSA opened a probe in June 2020 into complaints that media control unit (MCU) failures led to touchscreen displays not working.

The agency said other automakers issued numerous recalls for similar safety issues stemming from the touchscreen failure.

NHTSA said in November when it upgraded its probe that it reviewed 12,523 claims and complaints about the issue.

NHTSA said last month that "during our review of the data, Tesla provided confirmation that all units will inevitably fail given the memory device's finite storage capacity."

Many complaints had said Tesla required owners to pay to replace the unit once warranties expire. Tesla will replace the defective part and reimburse customers who paid to replace a part that failed because of lifetime wear.

Tesla acknowledged the problem but said if the display was not working, "the driver can perform a shoulder check and use the mirrors. If the screen is not visible to control the climate control and defroster settings, the driver will be able to manually clear the windshield."

The recall will begin March 30. NHTSA sought a recall of 158,000 vehicles but Tesla said the recall does not include some vehicles with upgraded processors built after March 2018.

Tesla said 88 per cent of US owners have gotten over-the-air updates to some functionalities that may be lost if displays fail.



Newly manufactured Tesla electric cars are pictured in a storage area at The Western Docks in Southampton, England.

REUTERS/FILE

India looks to beef up connectivity with Bangladesh

FROM PAGE B1

"If we could enhance connectivity, it is win-win."

Bangladesh, given its geography, is ideally suited to take the best advantage of its strategic location. "Bangladesh could reimagine itself as the 21st century Singapore on a much larger scale," he said.

A lot of connectivity projects have been finalised, and India is waiting for them to start.

"Trials have been done. We are keen to move forward because we believe that if these are done, we will be able to show on both sides that there is huge economic value for Bangladesh from such connectivity," Doraiswami said.

Citing an example, the envoy said, Bangladeshi trucks, port handling services and insurance companies will be used in the transport of goods from Chattogram Port to Tripura and beyond.

"Bangladesh is going to benefit by providing these services, while India gets faster movement of goods and the cost is low."

The envoy says he does not know why the connectivity projects are being delayed.

"We see that there are some pushbacks, saying that India wants that... so we should not do it. I don't see why that should happen."

"You should see whether it benefits you or not. We want to push through negotiations to get all these moving."

"We think the simple fact is the benefit is shared. If you look at it with an open eye, most of the stuff that is going to go through will benefit you."

Bangladesh has exceeded \$1-billion mark in annual exports to India, but the bilateral trade is heavily tilted towards India with about \$6 billion worth of goods coming from the country. Dhaka has raised the issues of non-tariff barriers and anti-dumping duty on jute products.

In response, Doraiswami said the Indian side had nothing to avoid issues that Bangladesh raised.

"Some of it comes from inadequate understanding because we had these dialogues at higher levels -- ministerial and secretarial levels. They don't succeed in drilling down to all the issues in details."

Now the issues are being discussed at the specialists' level and are expected to be addressed.

"None of the issues have fundamental problems. There are some complexities about trade, including reducing systemic restrictions on the movement of goods," the high commissioner said. India has been offering a zero-tariff facility to Bangladesh for many years. In many other countries, there is generalised system of preferences (GSP), but not necessarily zero tariff, he said.

In a zero-tariff ecosystem, if a country has a policy to make exports more competitive, it becomes a problem, he said.

"Because of our commonalities and historic ties, many of the goods that you export are also similar. So, we have to be careful to ensure that whatever we do, we have to do it in a manner that also does not create market distortion or push back against trade."

He said if there is a product in India providing Bangladesh something and the vice versa, that benefits consumers and reduces the prices, it is good.

"Why should you pay more prices for something that is available in India at half the price and similarly the other way around? That's the basis of comparative advantage in trading, and we should do this. We just need to have these clear conversations. We often don't have these clear conversations."

To the envoy, it is strange, considering the strong friendship, that the two countries have seldom got the specialists to come down to the actual level.

He said he was committed to doing this on all issues of both countries and coming up with

simple solutions in the next several months.

As Bangladesh is set to graduate from the grouping of the least developed countries in 2024, India and Bangladesh is in talks about signing a comprehensive economic partnership arrangement for preserving Bangladesh's benefits in India and can address a number of other trade-related issues.

"India would like to provide zero-tariff but under a different regime," Doraiswami said.

On the Bangladesh, Bhutan, India and Nepal Motor Vehicle Agreement, he said the connectivity is very logical. "Bangladesh would be one of the big beneficiaries of it."

He thinks the protocol for cargo and passenger transport should move ahead. There are restrictions on the numbers of vehicles, which is manageable.

"We are very keen to move forward because we have lost almost a year. We are keen to move forward with the signing of the two protocols on cargo and passenger movement. We are close to the agreement. We need to ensure that everybody is comfortable with it."

Bangladesh is seeking to join the India-Myanmar-Thailand Highway Project.

The road enters Myanmar from Manipur, which is on the other side of Tripura and goes through Barak Valley to Myanmar and then to Thailand.

"If Bangladesh is keen, India can certainly look at how it is doable."

"If connectivity develops between India and Bangladesh, particularly in the Northeast, it would connect Bangladesh to the project."

"If we have connectivity, Bangladeshi trucks going through Northeast and Indian trucks coming through, then this is straightaway doable. Then we would not have to negotiate the road rules that apply. We just need to do our homework on the bilateral portion of our protocol."

BSEC wants cuts in corporate tax for listed firms

Roadshow begins in Dubai on Feb 9 to attract foreign investors

STAR BUSINESS REPORT

Bangladesh Securities and Exchange Commission (BSEC) is working to widen the gap of corporate taxes between listed and non-listed companies in order to attract well-performing companies to the market.

Now, the difference is 7.5 per cent on an average but the stock market regulator wants it to rise up to 15 per cent by reducing the tax for listed companies.

"We will attach it in the list of proposals for the next budget," said Prof Shibli Rubayat Ul Islam, chairman of the BSEC.

"We need to widen the difference of corporate tax in order to attract multinational companies to the stock market."

Though the difference was 10 per cent but in the last budget it was decreased to 7.5 per cent, which ultimately discouraged multinational companies, Islam said.

When a company got listed, its cost of operations rises 2 to 3 per cent, because

When a company gets listed, its cost of operations rises 2 to 3 per cent, for which it deserves an incentive, BSEC chairman says

of which it deserves an incentive and the incentive might be given in the form of tax reduction, the BSEC chairman said.

His comments came at a press meet that the BSEC organised at the commission building yesterday to share information about the road show that is going to be held in Dubai from February 9 to February 12.

The stock market watchdog will arrange the event in Dubai in order to attract foreign and non-resident investors.

Title of the road show would be "The rise of the Bengal tiger: potential of Bangladesh capital market".

"We will present our potential and economic development and growth track record to attract investors. We are hopeful that investment will come from that country," Islam said.

The commission has plans to arrange similar road shows in London, Rome, Toronto, New York, Hong Kong, Singapore, Shanghai and Tokyo.

Rezaul Karim, spokesperson of the BSEC, also spoke at the press briefing.

Pran adopts aseptic processing for tomato pulp export



Women process tomatoes at a plant of Pran in Barind Industrial Park in Godagari, Rajshahi.

ANWAR ALI, Rajshahi

Pran has started aseptically processing tomato pulp at its Barind Industrial Park in Rajshahi to attain a longer shelf life for enabling its export alongside grabbing a bigger share of processed tomato sales in the country.

Being aseptic denotes free from contamination by harmful bacteria, viruses or other microorganisms.

This is achieved in food processing through sterilisation, of the product by heating and immediate cooling and of the containers using superheated steam, all the while ensuring that an aseptic sealed environment is maintained up to packaging.

"Bangladesh used to import tomato pulp to produce sauces and ketchups here. Things have changed now and we plan to start exporting our produce this year," Kamruzzaman Kamal, director of marketing at Pran-RFL Group, told The Daily Star.

"It is the tomato farmers who will be the ultimate beneficiary if we are successful. The market will grow and it will generate employment," he said.

Pran, one of the country's leading food processors, has already been exporting tomato sauce and ketchup to 60 countries, including

Malaysia, the United Arab Emirates, US, Italy and Sweden.

Around Tk 250 crore worth of tomato sauce, ketchup and paste are sold in the country a year and the market is growing at 10 per cent annually.

Pran is leading in the market with its capacity of producing 18,000 tonnes of tomato sauce a

yesterday.

This year's cultivation contracts stipulate that the company procure 12,000 tonnes of tomatoes from 10,000 farmers in Rajshahi, Natore, Chapainawabganj, Pabna and Dinajpur districts.

Last season, it procured 7,000 tonnes of tomatoes from 8,400 farmers.

increasing for its quality and high yield," said farmer Bokul Hossain.

Talking to this correspondent who was on a field visit at Basantapur village in Rajshahi's Godagari upazila, Hossain said he produces at least 10 tonnes of tomatoes from 1,337 square metres of land in the three months.

Partnering with five other farmers, he has been cultivating tomatoes on 6.69 hectares of land since 2017.

By investing Tk 20 lakh behind the cultivation, he produces 560 tonnes of tomatoes a season and earns at least Tk 60 lakh.

Pran buys tomatoes from the farmers and takes those to its state-of-the-art plant that produces tomato pulp.

Maintaining aseptic conditions, the tomatoes are washed and separated in several phases before being mechanically pulped and packed in sterile bags.

In this way the bags of pulp attain a shelf life of two years, said Sayed Sarwar Hossain, manager of Pran's Rajshahi plant.

The company finally takes the pulp to its plant in Natore for producing sauces and ketchup.

"We have plans to begin producing sauces and ketchup from our Rajshahi plant in the near future," he said.

"Bangladesh used to import tomato pulp to produce sauces and ketchups here. Things have changed now and we plan to start exporting our produce this year," says Kamruzzaman Kamal, director of marketing at Pran-RFL Group

year using its two plants in Rajshahi and Natore districts.

For Pran's processed tomato products, life starts through contract farming, with cultivators growing tomatoes organically.

Cooler temperatures are congenial for tomato cultivation, for which the season ranges from December to February.

This season, Pran has collected 5,200 tonnes of tomatoes until

The number of contract farmers are increasing by 20 per cent a year thanks to the efforts of Pran in providing them training and farming inputs and ensuring value of their product.

The increase depicts the growing enthusiasm among farmers for finding value for their crops.

"Other than Pran, we have customers from across the country. The demand for our product is



GLOBAL BUSINESS

Chinese state newspaper omits Jack Ma from list of entrepreneurial leaders

REUTERS, Shanghai

Alibaba Group founder Jack Ma has been left off a list of Chinese entrepreneurial leaders published by state media - the snub underscoring how just far he has fallen out of favour with Beijing.

China's best known businessman was not mentioned in an front-page article published by the Shanghai Securities News. Instead Huawei Technologies' Ren Zhengfei, Xiaomi Corp's Lei Jun and BYD's Wang Chuanfu were lauded for their contributions.

It was published on Tuesday when Alibaba will also report its latest quarterly earnings. The e-commerce giant did not immediately respond to a request for comment.

The catalyst for Ma's current woes was an Oct. 24 speech in which he blasted China's regulatory system, leading to the suspension of his Ant Group's \$37 billion IPO just days before the fintech giant's listing.

Regulators have since launched an anti-trust probe into the tech sector with Alibaba taking much of the heat, while tighter regulations for Ant Group are also being considered.

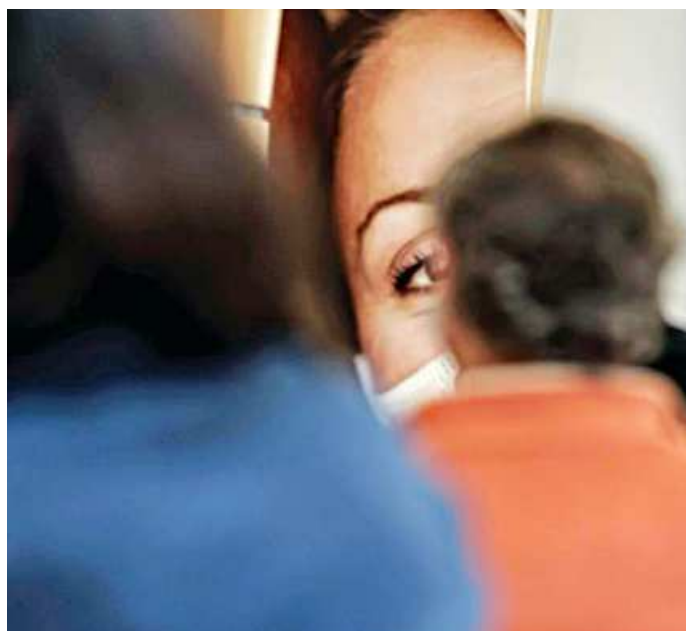
Ma, who is not known for shying away from the limelight, subsequently disappeared from the public eye for about three months, triggering frenzied speculation about his whereabouts. He re-emerged last month with a 50-second video appearance.

The Shanghai Securities News said that while some of the entrepreneurs it praised had once behaved like "reckless heroes" in their efforts to break away from an old, rigid economic system, they now led "a group of companies that respected the rules of development and abided by market rules."



Chairman of Alibaba Group Jack Ma

Eurozone economy shrank less than expected in 2020



People queue to receive an injection of the Moderna Covid-19 vaccine at the first Covid-19 vaccination centre in Belgium yesterday.

AFP, Brussels

The eurozone economy shrank less than expected in 2020 given the devastating consequences of the covid-19 pandemic, official data showed on Tuesday.

The Eurostat statistics agency said the eurozone economy shrank by 6.8 per cent in 2020, and by 0.7 per cent in the fourth quarter.

Though catastrophic, this was much better than the EU commission's forecast of a 7.8 per cent crash, made in November.

But early indicators show that the 19-countries that use the euro currency now face the prospect of a fresh recession after a recovery last summer was cut short by a second wave of the pandemic.

This is due to a halting start to the

vaccination campaign in Europe and continued covid-related restrictions.

The better than expected figure for 2020, though still one of the worst in history, came largely from a better performance in Germany, Europe's biggest economy.

German economic activity contracted by 5.0 per cent in 2020 and even France in the end did better than expected with a slump of 8.3 per cent, when a double digit crash was initially feared. "Restrictive measures have been adapted and have become milder compared to the first wave," said ING analyst Bert Colijn. "Think of countries like France and Spain, for example, where industry and construction have remained largely open over the course of the quarter," he added.

Colijn also cited sustained demand for EU goods from China, where

restrictions have been scarce. Help also came from Britain, where businesses stockpiled in the final months of 2020 with the impending end of the post-Brexit transition period.

Eurostat said that the 27-member state EU economy as a whole - which adds Poland and Sweden for example - shrank by 6.4 per cent in 2020 and by 0.5 per cent in the fourth quarter.

Going forward, the major risk "is that the arrival of new more transmissible variants, as well as the slow speed of vaccination programmes, delays the lifting of restrictions," remarked Jack Allen-Reynolds, Senior Europe Economist at Capital Economics. "This would have a much bigger effect on the Mediterranean economies that are more dependent on summer tourism" and not the likes of Germany, he said.

NEWS In Brief

Delhi court gives interim relief to Amazon in Future Group dispute

REUTERS, New Delhi

India's Future Group needs to maintain status quo with respect to its \$3.4 billion retail assets deal, the Delhi High Court said on Tuesday, giving interim relief to Amazon.com Inc as it battles to foil Future Group's asset sales to a rival.

Amazon, locked in protracted legal disputes with Future, alleges the Indian firm violated contracts by agreeing to sell its retail assets to rival Reliance Industries last year. Future denies any wrongdoing.

A judge hearing Amazon's plea on Tuesday said immediate orders were necessary to protect the US company's rights, saying Future should maintain status quo for now.

Indian stock exchanges last month cleared Future's deal with Reliance, despite Amazon's repeated requests to regulators to block the deal.

Pfizer sees about \$15b in 2021 sales from Covid-19 vaccine

REUTERS

Pfizer Inc on Tuesday forecast sales of about \$15 billion from the coronavirus vaccine that it is making along with German partner BioNTech.

The company said it expects total 2021 revenue of between \$59.4 billion and \$61.4 billion.



Vials and a medical syringe are seen in front of a displayed Pfizer logo in this illustration.