

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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