



Yeamin Sharif Chowdhury, director for operations at Transcom Electronics, and Manoj Agarwal, vice president at Daikin, attend the launch of inverter and non-inverter split air conditioning units of Japanese brand Daikin at an event in Dhaka. Daikin launched nine models of ACs for Bangladesh in partnership with Transcom Electronics.

BCIM business leaders explore ways to boost cooperation in trade, logistics

STAR BUSINESS DESK

Business leaders of Bangladesh, China, India and Myanmar (BCIM) are exploring ways of cooperation in trade and logistics in the sub-region under the Covid-19 epidemic situation.

The development comes at BCIM Business Council Meeting through a digital platform where participants reviewed and summarised key tasks in 2020 and discussed promotion projects of the council in 2021.

BCIM Business Council Yunnan Office organised the meeting hosted by the China Chamber of International Commerce, The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), the Confederation of Indian Industry and Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry.

FBCCI President Sheikh Fazle Fahim said regional value chain initiatives were focused and targeted sectoral ecosystem of industries.

"We may strategise regional value chain initiatives with raw materials, knowledge,

expertise from BCIM member countries for respective domestic industry while maximising production competitive edge of Bangladesh, export to BCIM market and beyond, maximising our value chains with global implications based on shared resources and knowledge," he said.

He said energy, multi-modal transportation, joint seed development, agri-mechanisation, mechanisation components, agro-food processing, MSMEs, startup ecosystem, health tech, fin tech, edu tech, construction, shipbuilding, high value textile, jute, durable consumer goods, service cooperation in logistics, light engineering, automobile and motorbike components, defense armament, software, hardware, cyber security equipments, hospitality etc. are some of the highly prospective areas for joint ventures.

BCIM Business Council aims at establishing a consultation mechanism for the industrial and commercial circles in the region, giving play to the leading role of pragmatic cooperation, and promoting communication and cooperation among the four countries' chambers of commerce and industry.



HM Tarikul Kamrul

Evaly gets new chief operating officer

STAR BUSINESS DESK

HM Tarikul Kamrul has recently joined Evaly as the chief operating officer.

Prior to joining the e-commerce platform, he worked as chief marketing officer of Link3 Technologies, according to a statement.

Previously, he worked at British American Tobacco, Robi Axiata, MGH Group and Transcom Ltd.

Kamrul completed his MBA from the Institute of Business Administration, Dhaka University.

Daikin launches ACs in partnership with Transcom Electronics

FROM PAGE B1

The new range of split air-conditioners from Daikin offers a host of features that help create an ambient cooling environment for a comfortable experience. The models also boast of new designs matching the local aesthetics.

Daikin, armed with more than 150 trained installers across all major cities in the country, will ensure proper installation and troubleshooting for all customers.

The new inverter split ACs are available at a starting price point of Tk 68,500.

Yeamin Sharif Chowdhury, director for operations at Transcom Electronics Ltd, said: "When it comes to air-conditioning, Daikin ACs powered by Japanese technology have become a premium, reliable and one of the most sought-after names across Bangladesh market."

Saikat Azad, deputy general manager for marketing at Transcom Digital, said consumers were definitely the beneficiaries of such developments as they could purchase reliable products at competitive prices.

International brands are investing in their manufacturing or assembly plants in Bangladesh through partnerships with local companies, which are also benefited from the shared technology.

"We started assembling last year and brought the products to the market. We did not launch officially due to the pandemic," Azad said.

According to him, importers had to pay 211 per cent customs duty previously, while local assembly brought it down to 40 per cent.

"This helps the local manufacturers and assemblers build up their capacity to ensure quality products at competitive prices," Azad said.

Daikin is doing everything to provide premium air-conditioning experience to customers, the press release said.

From its advanced filter-cleaning technology, refrigerant, service quality to other useful features, used in providing the best possible quality of air, Daikin and Transcom Electronics are committed to taking the partnership to next level, it said.

Lafarge seeks arbitration to end gas price row with Jalalabad

FROM PAGE B1

The notice has been filed as per the terms of the agreement and expectations are for it to be resolved through arbitration, it said.

"The matter is sub judice, and the precise terms of the agreement are confidential, and LafargeHolcim Bangladesh is unable to disclose the details," it added.

Stocks of LafargeHolcim, one of the biggest cement makers, fell 2.32 per cent to Tk 54 yesterday.

"We found the arbitration notice from LafargeHolcim Bangladesh," said Md Shahidul Islam, the gas distributor's general manager.

The company does not want to pay according to the price fixed by the energy regulator of the country, so the dispute arose, he said, adding that he would no more talk on it as it was now under a legal process.

Under the contract signed with Lafarge Surma Cement, the former

name used by LafargeHolcim Bangladesh, the natural gas was priced at approximately Tk 7.80 per cubic metre, said a top official of the gas distribution company seeking anonymity.

The energy commission, however, set gas prices for such industrial consumers at Tk 10.70 per cubic metre with effect from 2019, the official added.

Natural gas has various advantages over coal as a fuel, said a top official of an asset management company also preferring anonymity.

If the price rises, then cement production costs will be impacted, so the stock price fell, he said, adding that the stock price was higher a few days ago so this drop has been caused by profit booking too.

The cement maker's sales dropped 13.8 per cent to Tk 1,142 crore during January to September

period of last year compared to the same period of the previous year.

Meanwhile, its profits rose 27 per cent to Tk 149 crore.

Recently, it made a foray into the aggregate business. Aggregate is a broad category of coarse particulate material used in construction, including sand, gravel, crushed stone, slag, recycled concrete and geo-synthetic aggregates.

LafargeHolcim Bangladesh commenced commercial production of clear-size graded aggregate, the company said in a filing on the DSE last month.

The company has set up a crushing unit with ancillary equipment on the premises of its existing integrated clinker and cement manufacturing plant in Chhatak, Sunamganj.

It can produce 12 lakh tonnes of clear-sized graded aggregate per annum.

Elon Musk turns his support to Dogecoin

REUTERS, London

Cryptocurrency Dogecoin surged more than 50 per cent on Thursday after billionaire entrepreneur Elon Musk tweeted his support for it, two days after he said he was to take a break from Twitter "for a while".

Dogecoin jumped to \$0.05798 according to data on blockchain and cryptocurrency website Coindesk. Musk first tweeted "Doge" and immediately followed it up with "Dogecoin is the people's crypto".

The Tesla chief's tweets about certain companies and cryptocurrencies have sent their prices soaring in recent weeks. Shares in GameStop, Etsy and CD Projekt have jumped following comments on his Twitter account about them.

Stocks on the rise again

FROM PAGE B1

If this happens, then listed companies' corporate tax would be 17.5 per cent while it is now 25 per cent, said a stock broker.

With the corporate tax drop, general investors will be benefited as the listed companies' net profit will rise and subsequently, dividend payout.

"It was the main influencer of the last two days' index rise," the stock broker added.

The BSEC chief also announced that they would hold a road show in the US, EU, and middle-eastern countries to attract non-resident Bangladeshi and foreign investors to the stock market.

This announcement also impacted the market positively, according to analysts.

Meanwhile, the regulator decided in a recent commission meeting to allow four companies that were previously listed in the over-the-counter market to return to the main market.

The companies are Tamijuddin Textile, Bangladesh Monospool Paper Manufacturing, Paper Processing and Packaging and Mono Fabrics.

As the companies' business performance improved, the regulator approved the relisting, according to a press release.

However, turnover, an important indicator of the market, dropped 10.2 per cent to Tk 713 crore yesterday.

Among major sectors, food and allied, life insurance and bank sectors advanced while cement, engineering and travel and leisure sectors faced corrections.

Jute Spinners topped the gainers' list with a 9.94 per cent rise followed by Prime Insurance, Prime Finance, Sunlife Insurance and British American Tobacco Bangladesh.

Beximco topped the turnover list with shares worth Tk 85 crore changing hands followed by British American Tobacco Bangladesh, Robi Axiata, LankaBangla Finance, and Beximco Pharmaceuticals.

Mir Akhter Hossain Limited shed the most, falling 9.98 per cent followed by Energypac Power Generation, MI Cement, Matin Spinning and Robi Axiata.

At the DSE, 133 securities gained value, 106 declined, and 116 remained unchanged.

The port city bourse also rose yesterday. CASPI, the general index of the Chattogram Stock Exchange, rose 164 points, or 1.02 per cent, to 16,331.

Among 233 traded companies, 101 advanced, 68 fell and 64 remained the same.

Trade in secondary bond market

FROM PAGE B1

What is the secondary bond market?

T-bonds are the securities issued by the government that have maturities spanning from two years to 20 years. Bondholders earn interest semiannually until maturity.

The government issues the securities to mobilise funds to manage its deficit financing. The bonds are sold through auctions every month at the central bank headquarters, and banks are the main clients.

But, the secondary bond market is the marketplace where investors can buy and sell bonds.

The proceeds from the sale of bonds in the secondary market go to the counterparty, which could be an investor or a dealer. In contrast, in the primary market, money from investors goes directly to the issuer.

Why is the secondary bond market booming?

In November last year, the central bank selected 30 types of securities as the benchmark bonds to allow lenders to set the interest rate of the 269 bonds that have been issued by the government and are now available in the market.

The central bank also asked the primary dealer banks to declare the two-way price quote (selling and buying) for all bonds. The PD banks have to announce the prices at the central bank's market infrastructure module, which is linked with a virtual trading platform, Government

Securities Order Matching (GSOM).

Individuals and corporate entities can monitor the price trend through the GSOM before buying and selling securities.

The excess liquidity in the banking sector is another reason for the higher trading in the secondary market.

Arif Khan, managing director of IDLC Finance, said many banks and non-bank financial institutions were now embracing the secondary market to invest surplus funds.

The lower demand for loans has encouraged lenders to invest in the secondary market. Lenders have turned to the window to make a profit in the wake of business slowdown deriving from the coronavirus pandemic, he said.

Corporate entities now prefer government securities as the interest rate on the FDRs has nosedived due to the lower credit demand. They also see the bond market as the safest investment destination as the financial health of many banks has deteriorated because of the business slowdown.

Banks with higher credit rating offer a maximum of 3-4 per cent interest rate on FDRs, whereas investors now earn 3 to 6 per cent in interest from the T-bonds, whose maturity ranges from two to 10 years.

Besides, the government has recently capped the investment in savings certificates, which provide interest ranging from 11.04 per cent to

11.76 per cent.

A person cannot invest more than Tk 50 lakh in the savings instruments. Under joint names, the investment limit is Tk 1 crore, a cap that discourages wealthy people from putting in too much money in the high-interest-bearing savings instruments.

There is no such investment ceiling in the T-bonds, encouraging individuals and corporate entities to pour money in the tools.

The ongoing vibrancy in the secondary market may not sustain when the economy makes a turnaround from the slowdown, Khan said.

Mirza Elias Uddin Ahmed, managing director of Jamuna Bank, said it was very encouraging that trading in the secondary bond market had got momentum, which would give a breathing space to the government to manage its budget.

PD banks have to purchase T-bills and bonds. So, they usually face liquidity shortage when borrowing by the private sector and the government goes up, Ahmed said.

But a vibrant secondary bond market will resolve the problem as the investors of the secondary market supply the required fund to the government. In recent months, the interest rate on government securities has declined due to increased trading in the secondary market, Ahmed said.

"This has helped the government to cut its cost to mobilise funds."

Sanofi workers threaten hunger strike

FROM PAGE B1

per cent stake in Sanofi Bangladesh for about Tk 400 crore as it looks to expand its product base and diversify into new areas.

With this, the French pharmaceuticals giant will exit Bangladesh, ending its presence in the country that spans more than six decades, as it has been struggling to compete with local companies.

There are around 1,000 employees working for Sanofi Bangladesh.

"Sanofi is leaving the country by selling its shares but they will not give any kind of financial compensation to its staff," said Sanjib Kumar Chakraborty, general secretary of the SBLWEA.

However, the company has assured that it would provide all necessary compensation before completing the hand over.

In a statement issued late last month, Sanofi Bangladesh said it consistently reaffirmed that its employees' interests would be integral in the final selection of the buyer of the stake.

Sanofi said its employees will continue operations on the current terms and conditions that have been in place for three years until the transaction is closed. The employees will also continue to receive the same benefits.

Sanofi Bangladesh had initially committed to a 12-month collective employment guarantee, said the statement.

However, SBLWEA President Md Nuruzzaman Raju said the management of Sanofi Bangladesh is yet to respond to their demands and have not shown any interest in discussing the issue as of yet.

NBR to sue Paperfly for VAT evasion

FROM PAGE B1

Contacted, Paperfly's Chief Marketing Officer Rahath Ahmed said the company followed regulations in terms of VAT and other guidelines and paid the dues regularly.

He said the Paperfly team was already in discussion with the VAT office to understand further about the issue of

unpaid VAT.

"There has been no case filed or any demand placed to us and we are confident that we shall be able to prove our points," he said in emailed reply.

Last month, Indian e-commerce logistics solution provider Ecom Express acquired a majority stake in Paperfly spending around Tk 100 crore.

Maiden white tea auction held in Sreemangal

FROM PAGE B1

"The main attraction of the auction was the white tea," said Helal Ahmed, managing director of Sreemangal Tea Brokers.

White tea was auctioned off through Sreemangal Tea Brokers, and Selim Tea House bought the tea at Tk 5,010 a kg, he said.

It takes about 12 kgs of high-quality tea leaves to produce one kg of white tea, which is very expensive and beneficial for human body, he said.

"Brindaban Tea Garden has been working for a long time to produce white tea," said Nasir Uddin Khan, manager of the garden.

Only human labour is used to produce the special tea leaves, and no machine is involved in the whole process, he said.

"I, along with the assistant managers, picked the leaves from the garden. That is why the quality and taste of this tea is extraordinary. White tea is the result of my long research and hard work. We produced only 10 kgs this year."

Sreemangal Tea Brokers and Ruposhi Bangla Tea Brokers also participated in the auction.

Bank of England cuts outlook despite vaccines rollout

AFP, London

The Bank of England left interest rates and stimulus unchanged Thursday, but cut its 2021 growth forecast owing to the deadly coronavirus crisis - despite a global vaccine rollout.

BoE policymakers voted to keep borrowing costs at a record-low 0.1 per cent, after their first monetary policy meeting since Britain's divorce from the European Union at the start of January.

The bank also cut its 2021 gross domestic product growth forecast to 5.0 per cent from 7.25 percent, while hinting at the possibility of implementing negative interest rates later this year.

"Covid-19 vaccination programmes are under way in a number of countries, including the United Kingdom, which has improved the economic outlook," the BoE said. "Nevertheless, recent UK and global activity has been affected by an increase in Covid cases, including from newly identified strains of the virus, and

the associated reimposition of restrictions. "Much of the UK re-entered lockdown in early January to curb variant strains that are deemed more transmissible, with restrictions similar to initial Covid curbs imposed in the second quarter of 2020. However, more than 10 million people in the UK have now received a first dose of a Covid-19 vaccine.

The BoE meanwhile noted Thursday that Britain and the European Union reached a trade agreement that has applied since January 1, averting a chaotic no-deal Brexit. And it signalled that Britain would likely avoid a double-dip recession with marginal growth expected in the final three months of last year.

The BoE also declared Thursday that it was "appropriate" to start preparations for the potential introduction of negative interest rates in six months' time. A negative interest rate would likely see retail banks further cutting their own borrowing costs, which would be unwelcome news for savers but a boost for borrowers.