

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
0.68%	0.63%	\$1,823.46	\$62.43	51,544.30	29,520.07	2,925.48	3,655.09	83.95	100.71	115.32	12.88
5,447.64	9,533.93	(per ounce)	(per barrel)					84.95	104.51	119.12	13.54



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DHAKA MONDAY FEBRUARY 15, 2021, FALGUN 2, 1427 BS • starbusiness@thedailystar.net

37 apparel makers investing \$650m in Bangabandhu Shilpa Nagar

Progress of work slow due to the pandemic

JAGARAN CHAKMA and REYAYET ULLAH MIRDHA

Some 37 local textile and garment manufacturers have started investing in Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) to establish high-end apparel factories. Together they plan to invest \$650 million. However, the investors expect to begin constructing their factories from next year, opting for a go-slow policy amid the ongoing coronavirus pandemic as fresh lockdowns at major export destinations caused a significant fall in demand. So some of the manufacturers decided to not go for construction in the current year. A few have already availed industrial plots at the park, which was built on reclaimed land in the Bay of Bengal, signing a 50-year lease. The factories would produce

fabrics, formal shirts, t-shirts, trousers, yarn, sweaters, polo shirts, manmade fibres, blazers and sportswear. Bangladesh Economic Zones Authority (Beza) has been developing the allocated plots by providing them with access to gas, power, water, sewage lines and other utilities. Beza has also been enhancing connectivity building roads both in and around the zone. "I bought an industrial plot at the BSMSN and plan to initially invest \$100 million, mainly to produce high-end textile and garment items," said AK Aazd, managing director of Ha-Meem Group, a leading exporter. "However, I will not make this investment in the current year amidst the Covid-19 fallouts. Instead, I will start working on the new project from 2022."

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TOP TEN INVESTMENT PROPOSALS BY GARMENT ENTREPRENEURS

INVESTMENT (In million \$)		JOBS	
EPYLLION STYLE			
104	4,686	74	9,400
APPAREL GALLERY			
49	5,819	40	4,083
SQ CELSIUS			
39	2,052	35	1,416
COLUMBIA APPARELS			
26	1,858	25	2,134
COLUMBIA GARMENTS			
23	905	21	2,200
CLIFTON COTTON MILLS			
25	2,134	25	2,134
BABYLON GARMENTS			
21	2,200	21	2,200
GRAPHICS TEXTILES			
21	2,200	21	2,200

Inequality threat to economic progress

Warn economists at PPRC discussion

STAR BUSINESS REPORT

Bangladesh's economy has progressed a lot in the past five decades in a multitude of ways but the rise in inequality has become a great challenge to kick it into high gear, said economists on Saturday. There are distinct uncertainties over whether the economy will be able to sustain the past growth momentum of seven to eight per cent in the years to come, they told a discussion. The Power and Participation Research Centre (PPRC) organised the discussion on "Turning Points in the Economy", which is the fourth episode of a series of policy dialogues titled "Ajker (today's) Agenda". "Economic transitions in fact barely take place at any point. One exception to the rule was, I would say that 15th of August 1975 was a turning point. Because ever since then the economy was set on a different path altogether," said Rehman Sobhan. Before that, state control over the economy was the dominant factor, said the former Planning Commission member. "I would see that as a very distinct break and from post 15th August period, there was a gradual continuing in the shaping of the economy and at its direction virtually down to the present without any significant reverses in the trajectory," he said. Afterwards financial institutions started pumping in money in a reasonably discriminated manner, reaching a first generation entrepreneurial class, he said. This process continued virtually

OBSERVATIONS

- Inequality becomes a bigger challenge for economy
- Economy returns to 2016's level due to pandemic
- Participation of women in labour market has stagnated
- Internal migration has played a better role in decreasing poverty

throughout the 80s, he said, adding that the regime change in 1981 from one general to another did not really bring about any change, said Sobhan. A consequential outcome of pushing resources towards that first generation was a rise of privileged classes, which created quite a massive debt default in the financial sector, he said. It was also from 1982 onwards that readymade garment started to emerge, which was not really contingent on state support, said Sobhan, also a former professor of economics at the University of Dhaka. "In the 21st century, an independent entrepreneurial class emerged, which has grown up without dependence on the state," he said, adding that this group reinvest their profits. READ MORE ON B3



Tk 946cr project to beef up rural internet network

REJAUL KARIM BYRON and MAHMUDIUL HASAN

The government is going to expand the Internet Protocol (IP) network of the Bangladesh Telecommunications Company Limited (BTCL) with an aim to expand broadband network to upazila and union levels. The development comes as a part of the government's efforts to meet the country's growing data demand. The Tk 945.90 crore project will also enhance the capacity of the state-owned company, enabling it to install and modernise the IP equipment in each district, upazila and union parishad as well as increase the capacity of its international internet gateways (IIGs) and national internet exchanges (NIXs). The IP is a set of rules by which data is sent from one computer to another through the internet. Data can travel across networks and arrive at the correct destination through an IP network. "It's as part of our readiness for introducing 5G internet connection in the country," Rafiqul Matin, managing director of the BTCL, told The Daily Star. Besides, the project is also aligned with the government's vision to provide high-speed internet in rural areas that matches with the city's ones, he added. Matin went on to say that the project aims to increase the BTCL's broadband capacity to 100 gigabytes per second (gbps)

in upazila levels, 300 gbps in district levels, 400 gbps in divisional levels and over 1,000 gbps in the capital. Currently, BTCL can provide 10 gbps data in district levels. However, it increased its highest capacity from 137 gbps in 2019 to 400 gbps now. It will also set up a standard platform for bd. and Bangla Domain, web hosting, collocation, cache server, virtual machine, storage, cloud computing and so on alongside the purchase of other ancillary electrical equipment. The project proposal will be placed before the Executive Committee of the National Economic Council (Ecnc) for approval tomorrow. "It's a timely endeavour that will widen the access to the internet," Mustafa Jabbar, post, telecom and information technology minister, told The Daily Star yesterday. "The pandemic helps us understand the necessity of data and so, it's a crucial project," he added. As the pandemic led to the introduction of online classes and work from home, many students from rural and poor families faced hardship with distance learning as many of them do not have access to the internet. Experts fear the digital divide leaves many behind and so, such projects could help many remote people to adapt to changing trends.

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BB offers Tk 1,000cr to save ailing cinemas

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Bangladesh Bank yesterday declared a Tk 1,000 crore fund aimed at salvaging the country's ailing movie theatres. Existing owners of cinemas and new entrepreneurs will be able to avail soft loans from the fund, according to a central bank notice. The initiative comes from the banking regulator as the number of operational cinemas slumped below 100 due to a drastic fall in the number of audiences. In its notice, Bangladesh Bank said there were around 1,400 movie theatres in the country during the 90s. The number has been on the decline over the years due to different hurdles. "There is a strong requirement to give a boost to the film industry so that people can enjoy quality entertainment," it said. The owners of existing halls will get finance from the fund to renovate and modernise their complexes. The central bank formed the fund in the form of a refinance scheme. Under the central bank programme, banks will take out funds at 1.5 per cent interest while the end-users of metropolitan areas will get it at 5 per cent interest. However, clients outside metropolitan areas can avail the fund at 4.5 per cent interest. Borrowers will get a repayment tenure of eight years, including a one-year grace period. The central bank formed the scheme by way of using its own funds and will initially disburse Tk 500 crore. The rest will be given out subject to the proper utilisation of the disbursed fund in the



PALASH KHAN

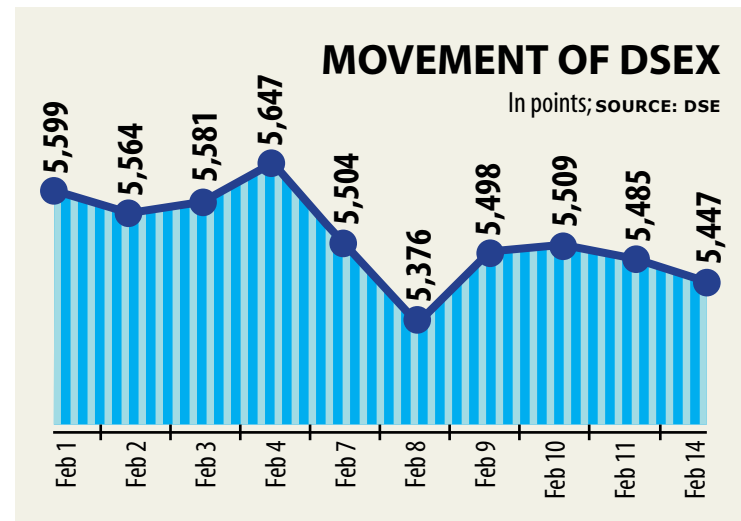
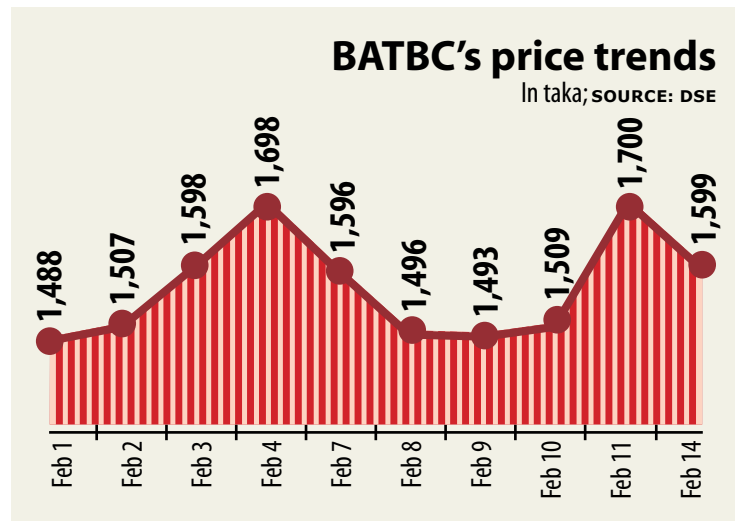
first phase. An owner of a cinema will take out a maximum finance of Tk 5 crore from the refinance scheme. The fund cannot be used in the form of working capital to operate the halls. Banks will take collateral and set a debt-equity ratio based on the bank-customer relationship, according to the central bank notice. "This will be good as entrepreneurs will be able to modernise their halls to attract audiences," said Mian Alaaddin, vice president of the Bangladesh Film Exhibitors Association. Currently, there are 300 movie theatres in the country. Of them, 60-70 are currently operational. The pandemic was a further blow to the halls as they lost audiences further because of the prolonged restriction on public movement that lasted between March 15 to October 15, he added.

BATBC leads drop in stock index

The tobacco company's share price falls 6pc for confusion over dividend-adjusted price

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Stocks of British American Tobacco Bangladesh (BATBC) led the market fall yesterday despite its earlier announcement of 600 per cent cash and 200 per cent stock dividends. DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), dropped 37 points, or 0.68 per cent, to 5,557 yesterday. Investors are now in the dark about BATBC's dividend adjusted price because its value would be lower than the floor price. Last year, the stock market regulator set a floor price for all stocks so that they cannot drop further amid the Covid-19 pandemic induced economic slowdown. When a company provides stock dividends, then its price is adjusted proportionately, an asset manager said. "Let's say the closing price



of a BATBC share is Tk 100 on its record date, the day when the dividend ownership is determined, then the company issues two more shares for a stock owner as it announced a 200 per cent stock dividend," he added. As a result, the stock price of a BATBC share would be Tk 33, according to the asset manager. As the company's stock price is still over Tk 1,600 and it announced 200 per cent stock dividends with the floor price set at Tk 907.60 on March 19 last year, the adjusted price must go lower than the floor price, he said, adding the confusion

about BATBC's adjusted price influenced the change in its value. Its impact was clear on the index also, he added. READ MORE ON B3

Swadhinata Parishad announces panel for BGMEA election

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Md Zahangir Alam, convener of Swadhinata Parishad, yesterday announced the names of directors of his panel that will take part in the upcoming biennial election of Bangladesh Garment Manufacturers and Exporters Association (BGMEA). The election is scheduled to be held on April 4 this year to elect the leaders of the trade body for the tenure of 2021-22. Alam said he has already announced the full panel of 26 directors for Dhaka region and soon he will announce the names of nine directors for the Chattogram region. The leaders of the panel were introduced at a press conference at Sonargaon Hotel in Dhaka. At the introduction meeting, Alam also announced his six-point manifesto. He will particularly work to maintain the safety standards of small and medium enterprises of the garment sector if he is elected as the president of the BGMEA, Alam said in his manifesto. He said he will also open a separate wing for ready-made garment abroad for increased export of apparel items. Two other panels, including Sammito Parishad led Faruque Hassan, a former vice-president of BGMEA, and ABM Shamsuddin, who is also a former BGMEA vice-president, are also competing in the election from the Forum panel.

