

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▼ 0.36%	▼ 0.52%	\$1,712.46	\$63.33	▲ 2.28%	▲ 0.51%	▲ 0.89%	▲ 1.95%	BUY TK 83.95	100.42	116.36	12.75
5,488.07	9,594.62	(per ounce)	(per barrel)	51,444.65	29,559.10	3,000.37	3,576.90	SELL TK 84.95	104.22	120.16	13.40



Star BUSINESS

DHAKA THURSDAY MARCH 4, 2021, FALGUN 19, 1427 BS • starbusiness@thedailystar.net

Pandemic keeps hurting exports

Shipment slips 4pc in February

REFAYET ULLAH MIRDHA

Earnings from exports declined 3.92 per cent year-on-year to \$3.19 billion in February because of a fall in apparel shipment as the lingering coronavirus pandemic continues to hurt the country's key markets.

The merchandise shipment was also 4.83 per cent below the month's export target of \$3.35 billion, according to data from the Export Promotion Bureau (EPB).

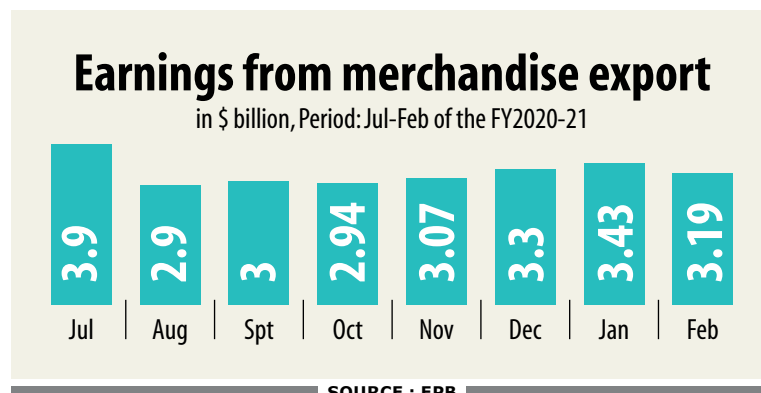
Shipment of garments, particularly woven ones, are yet to fully recover because many major export destinations in

Europe and the US are still under lockdowns due to the second wave of the Covid-19.

Although knitwear shipment has been recovering gradually thanks to increasing demand from people staying at home for longer periods and shorter lead times, the sale of woven garments did not recover as people have cut back on the use of formal wear.

Usually, the sale of woven garments grows with respect to the frequency of people going to formal events and offices.

Industry insiders say Bangladesh has already turned into a major



SOURCE: EPB

knitwear sourcing hub for international retailers and brands because of its short lead time.

"Shorter lead time is very important in fast fashion," said Fazlul Hoque, managing director of Narayanganj-based knitwear exporter Plummy Fashions.

Local knitwear manufacturers can procure 90 per cent of raw materials from the domestic markets. This is because local spinners and weavers have built strong backward linkage integration

for the garment industry, investing nearly \$10 billion in the primary textile sector.

But, the woven sector is still dependent on the import of raw materials, mainly from China, India, Turkey and Pakistan, as the investment in the backward industry did not occur to a similar extent.

"So, the knitwear export has been increasing from Bangladesh even during the time of the pandemic," said Hoque.

READ MORE ON B3

Processors warn of further rise in edible oil price

JAGARAN CHAKMA

Edible oil is likely to become costlier in the days ahead because of the upward price trend of soybean and palm oil worldwide as Bangladesh meets 90 per cent of its demand through imports, said processors yesterday.

The prices of the key cooking ingredient have been soaring for the last several months, putting pressure on the consumers already suffering from a loss of income amid the ongoing coronavirus pandemic.

Yesterday, retailers were selling unpacked palm oil at Tk 102-105 a litre in the markets in Dhaka city, up 43 per cent year-on-year. Soybean oil in unpacked form was up 36 per cent at Tk 115-120.

Prices of bottled soybean oil in different markets in the capital shot, according to data compiled by the Trading Corporation of Bangladesh. For example, the price of a one-litre pack rose 25 per cent to Tk 135 to Tk 140.

Md Shafiqul Ather Taslim, director of finance and operation at TK Group, one of the leading importers and processors of commodities, said the price of crude soybean oil increased to \$1,190 per tonne in the international market recently. It was \$700 a tonne in August last year.

The price of crude soybean oil surged by around 70 per cent in the last six months, he said, after a meeting with the top officials of the Bangladesh Trade and Tariff Commission (BTTC) at its office.

The commission held the meeting to review the price situation of edible oil in



the domestic market.

Taslim said the production cost of edible oil rose by around 40 per cent because of the spike in the global market.

Bangladesh roughly requires 20 lakh tonnes of edible oil annually, and 90 per cent of its requirement is met from imports.

Taslim also said that the impact of an increase in soybean oil price immediately fell on the local market after importers opened letters of credit.

READ MORE ON B3

Kamal sees gains from LDC graduation

STAR BUSINESS DESK

Bangladesh will benefit more than it would lose once the country graduates to a developing nation from the grouping of the least-developed countries, said Finance Minister AHM Mustafa Kamal yesterday.

"I think we will gain much more than we will lose," he said during a virtual briefing after the meeting of the cabinet committee on economic affairs.

Many people said exports would fall by four to five billion US dollars, but that was not the case, he said.

"If we lose an export of \$100 million, \$75 million of that will be [foreign] input. As a result, we will lose \$25 million."

Thanks to graduation, old problems would not exist, and there would be many opportunities, the minister said, adding that all sides, including the economy will benefit.

Kamal said currently, foreigners were apprehensive of investing in Bangladesh, but that would be resolved once Bangladesh moves out of the LDC category.

The graduation would increase foreign investment in Bangladesh, he said, adding that the economy will gradually become stronger. On February 26, the United Nations Committee for Development Policy recommended Bangladesh's graduation after the second triennial review of the LDC category.



AHM Mustafa Kamal

Bangladesh has met, for the second time, all the three eligibility criteria involving income per capita, human assets, and economic and environmental vulnerability.

According to the rules, after a two-year transition period, Bangladesh was supposed to leave the group in 2024 officially, but the country has been given an additional two years in areas of duty-free exports and easy access to foreign loans because of the devastating impacts of the coronavirus pandemic on its economy.

If privileges are taken away just after graduation, a country will not be able to continue its progress. "That is why an additional two years were sought to prepare for the exit," Kamal said.

\$3.6b Chinese loan uncertain after Dhaka drops projects from agreed list

JAGARAN CHAKMA

Bangladesh's hope of securing \$3.6 billion in Chinese loans for five projects may not materialise as Dhaka has unilaterally decided to replace them in a list focusing bilateral cooperation.

The list was in a memorandum of understanding (MoU) highlighting investment and production capacity cooperation, signed during Chinese President Xi Jinping's Dhaka visit in October 2016.

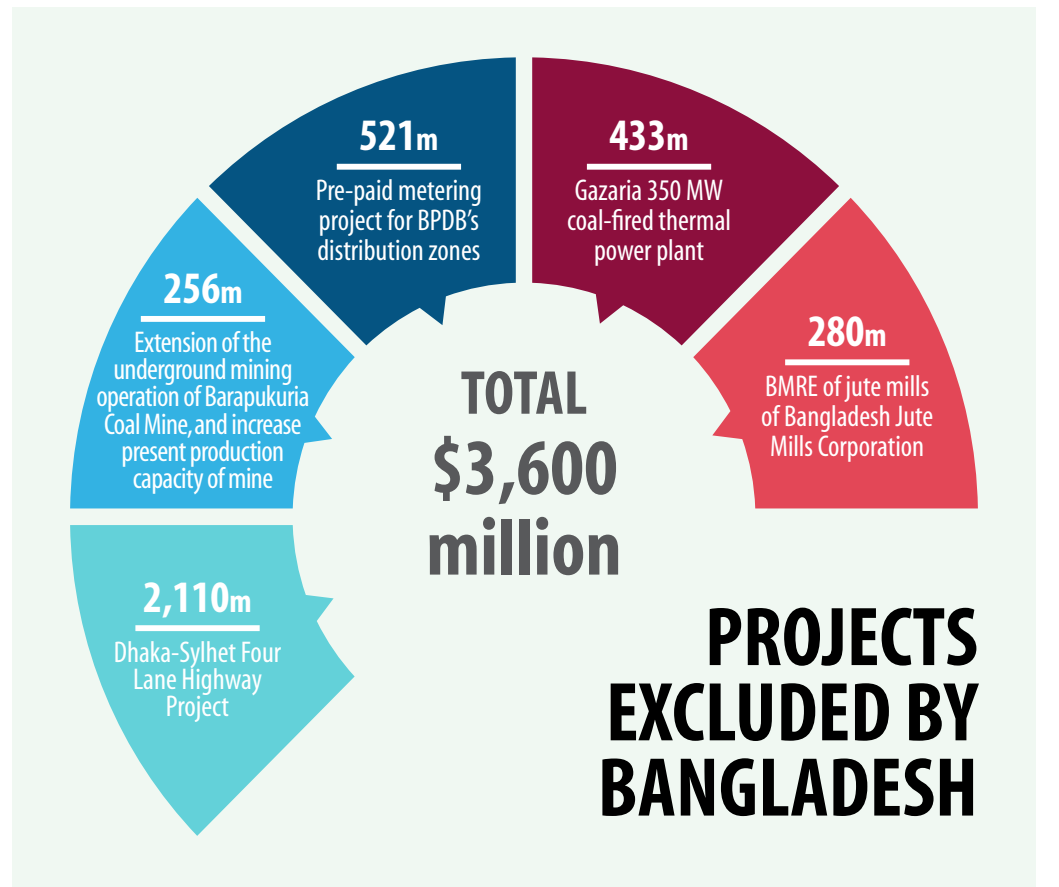
Among the five being replaced are a Dhaka-Sylhet four lane highway project involving \$2,110 million and one on extending Barapukuria coal mine's existing underground operations involving \$256.41 million.

The remaining three involve prepay metering for Bangladesh Power Development Board's distribution zones (\$521.56 million), a Gazaria 350-megawatt coal-fired thermal power plant (\$433.00 million) and balancing, modernisation, rehabilitation and expansion of public jute mills of Bangladesh Jute Mills Corporation (\$280 million).

A senior finance ministry official said whether Bangladesh would get the same amount of fund following the replacement was yet to be finalised.

The exclusion list has been sent to the Chinese embassy and they have been informed that those will be replaced, he said.

READ MORE ON B3



Beximco stocks fall despite Tk3,000cr Sukuk plan

STAR BUSINESS REPORT

Stocks of Beximco Limited dropped 1.64 per cent to Tk 84 yesterday despite the company's announcement that it would issue Sukuk bonds worth Tk 3,000 crore.

The listed multinational conglomerate informed its investors about the bond through a disclosure published on the website of Dhaka Stock Exchange (DSE).

Beximco will issue the bonds in order to finance solar projects and expand its textile factory.

DSEX, the benchmark index of the country's premier bourse, was also reluctant to move following the announcement as it dropped 20 points, or 0.36 per cent, to stand at 5,488.

"Since Beximco's stocks jumped in the last few months, the announcement did not impact its stock price," said a merchant banker preferring anonymity.

The conglomerate's stocks rose more than three times in the last three months with the price hitting Tk 95 from Tk 27, according to DSE data.

"The base rate for Beximco's Sukuk bond is much higher than the bank rate so investors must be happy with it," he added.

The base rate for Sukuk was set at 9 per cent per annum so that investors can collect their returns annually.

The margin is set at 10 per cent of the difference between the base rate and the annual dividend that Beximco will pay in a specific year.

So, the margin would be added to the base rate if the company's dividend for the specific year surpasses the base rate.

READ MORE ON B3

DCCI wants corporate tax cut

Places budget recommendations for FY22

STAR BUSINESS REPORT

The Dhaka Chamber of Commerce & Industry (DCCI) yesterday urged the revenue administration to cut the corporate tax for listed and non-listed companies by 2.5 per cent in the next fiscal year.

It demanded a 5 per cent and 7 per cent reduction in the corporate tax rate in the fiscal years of 2022-23 and 2023-24, respectively.

"If the government cuts the corporate tax rate, it will boost local and foreign investment," said Rizwan Rahman, president of the DCCI, in a press release.

The businessman placed the chamber's budget recommendations for the next fiscal year to National Board of Revenue Chairman Abu Hena Md Rahmatul Muneem at the latter's office in the capital yesterday.

The proposals were aimed at reviving business confidence in the post-pandemic period, building a business-friendly tax structure, widening tax and VAT net, ensuring export diversification, encouraging industrialisation, and facilitating an investment-friendly environment.

The chamber called for halving the tax on the income of corporate dividend to 10 per cent from 20 per cent now.

DCCI urges NBR to

- ▶ Cut corporate tax rate by **2.5%**
- ▶ Halve tax on corporate dividend income
- ▶ Make investment of taxable income on R&D tax-free
- ▶ Withdraw VAT at source in services sector
- ▶ Give tax exemption to greenfield infrastructure investment for five years
- ▶ Grant tax exemption for manufacture of machinery of electric vehicle charging station

Besides, if a company invests 5 per cent of its taxable income on research and development, this investment should be tax-free, Rahman said.

In Bangladesh, only 24 lakh taxpayers submit returns out of 50 lakh registered taxpayers. This prompted the chamber to propose to automate the revenue structure fully.

The DCCI demanded a withdrawal of value-added tax (VAT) at source in the service sector. It urged the NBR to impose the turnover tax based on the value-addition of products or profit for the businesses that are out of VAT net.

The DCCI said an excise duty had been imposed twice in case of getting a loan from banks. "The system should be withdrawn."

The chamber recommended tax exemption on the investment in greenfield infrastructure projects at least for the next five years.

With greenfield investing, a company builds its own, brand new facilities from the ground up.

In the leather industry, the corporate tax for listed companies is 25 per cent, and for non-listed companies 32.5 per cent. In order to diversify exports, the chamber proposed to reduce the rate and allow them the opportunity to renew the bond licence for three years like that enjoyed by the garment industry.

The DCCI called for a tax exemption for local manufacturers of machinery and accessories used for electric vehicle charging stations.

Muneem urged industries and businesses to be more compliant, which will boost confidence between the businesses and the revenue administration.

LafargeHolcim shares declines despite jump in profits

STAR BUSINESS REPORT

Shares of LafargeHolcim Bangladesh fell 2.85 per cent on the Dhaka Stock Exchange yesterday as the company posted a decline in sales in 2020 because of the Covid-19 outbreak.

The cement producer's sales fell 9 per cent year-on-year to Tk 1,622 crore last year, according to the company's data.

However, the company's profit made a 36 per cent year-on-year jump, for which the cement maker gave credit to its cost-cutting measures and tax benefits from amalgamation.

LafargeHolcim Bangladesh bagged Tk 236 crore in profits last year, up from Tk 173 crore in the previous year. "The company has demonstrated resilient result with its focus on health, cost and cash," said Rajesh K Surana, CEO of LafargeHolcim Bangladesh.

The company's initiatives on digital and innovation provided further impetus to its outstanding results, he said. "We are very proud of the agility and great teamwork of our employees and the strong support of our customers and suppliers."

The board of directors of the company recommended 10 per cent cash dividend for the year that ended on December 31, 2020.

Last year, the company launched "Holcim Water Protect", a specialised waterproofing product. It also introduced a digital app to ensure wider access to the products for its customers.

"Despite the uncertainty and disruptions surrounding Covid-19, we believe that Bangladesh, with its strong record of growth and sound economic policies, will continue its growth momentum," the company said in a press release.

READ MORE ON B3

India's October-February sugar output jumps 20pc, few mills close early

REUTERS, Mumbai
Indian sugar mills' output rose by a fifth to 23.38 million tonnes in the first five months of the 2020/21 marketing year from a year earlier, while a few mills closed operations ahead of normal schedule, a trade body said on Wednesday.



A labourer carries a sack of sugar to load it onto a supply truck at a market area in Kolkata, India.

The country is the world's second biggest sugar producer and the higher output could weigh on global prices. In the current marketing year that begun on Oct. 1, 502 sugar mills have started operations, but 98 mills stopped crushing by February end, the Indian Sugar Mills Association (ISMA) said in a statement.

Mills have contracted to export 3.2 million tonnes of sugar so far in the current marketing year, but shipments are slowed by shortage of trucks and containers as well as adequate availability of vessels at the ports, the trade body said.

Logistical bottlenecks could trim India's sugar exports by 12 per cent to 5 million tonnes in the current marketing year, industry officials told Reuters last week.

Australia economy shrinks 1.1pc in 2020

AFP, Sydney
Australia's economy contracted 1.1 per cent in 2020 as the coronavirus pandemic took hold, but saw a remarkable recovery late in the year as outbreaks were brought under control and restrictions lifted.

Official figures released Wednesday showed the economy grew 3.1 per cent in the October-December quarter following a 3.4 per cent increase in the previous quarter.

The Australian Bureau of Statistics said it was the first time since records began 60 years ago that the nation had recorded two consecutive quarters of more than three percent growth, albeit from a low base.

Prime Minister Scott Morrison tweeted that the country's "comeback... continues to gather pace", hailing the figures as "better than all the G7 countries and the OECD average".



Khondkar Morshed Millat, general manager at Bangladesh Bank's sustainable finance department, and M Reazul Karim, CEO of Premier Bank, exchange documents recently after signing a participation agreement over a "Refinance Fund for Technology Development/Upgradation of Export Oriented Industries".



Emranul Haq, CEO of Dhaka Bank, inaugurates its Mouchak sub-branch at Shahjahanpur in Dhaka on March 1.

Jack Ma loses title as China's richest man after coming under Beijing's scrutiny

REUTERS, Beijing
Alibaba and Ant Group founder Jack Ma has lost the title of China's richest man, a list published on Tuesday showed, as his peers prospered while his empire was put under heavy scrutiny by Chinese regulators.

Ma's recent woes were triggered by 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 public listing.

Regulators have since tightened anti-trust scrutiny on the country's tech sector, with Alibaba taking much of the heat; the market regulator

launched an official anti-trust probe into Alibaba in December.

Chinese regulators also began to tighten their grip on the fintech sector and have asked Ant to fold some of its businesses into a financial holding company to be regulated like traditional financial firms.

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



Safiu Alam Khan Chowdhury, managing director (current charge) of Pubali Bank, attends its "2nd Virtual Conference 2021" through a digital platform.

Office of the Project Director
"Establishment of New Campus of Jagannath University: Land acquisition and Development" Project
Jagannath University
9-10, Chitta Ranjan Avenue Dhaka-1100.

e-Tender Corrigendum Notice (OTM)

A corrigendum is done for the Tender ID: 548448. Please see the Bill of Quantities (BoQ) section of the Tender.

This is an online Tender, where e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. To submit Tender registration in the e-GP System Portal (<https://www.eprocure.gov.bd/>) is required. This notice is also available in www.jnu.ac.bd.

Md. Shahadat Hossain
01.03.2021
Md. Shahadat Hossain
Project Director
"Establishment of New Campus of Jagannath University: Land acquisition and Development" Project

Request for Expressions of Interest

Government of the People's Republic of Bangladesh

1	Ministry/Division	Road Transport and Bridges, Roads and Highways Division.
2	Agency	Roads and Highways Department
3	Procuring entity name	Mohammad Jahed Hossain, (SE), RHD, Social and Environment Circle, Elenbari, Tejgaon, Dhaka.
4	Procuring district	Dhaka.
5	Expression of Interest for Selection of	Consultancy Firm (National) (Time Based).
6	EOI Ref. No.	35.01.0000.168.34.63.2021-45
7	Date	4 March 2021

KEY INFORMATION

8	Procurement sub-method	Quality and Cost Based Selection (QCBS).
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FUNDING INFORMATION

9	Source of funds	(GOB).
10	Development partners	None.

PARTICULAR INFORMATION

11	Project/programme name	Consultancy Services for Technical Support to the Social and Environment Circle, RHD.
12	EOI closing date and time	25 March 2021, 2.00pm local time.

INFORMATION FOR APPLICANT

13	Brief Description of Assignment	The main objectives of this consultancy services are: 1) Providing technical advice to Social and Environment Circle on issues related to Environmental and Social Impact Assessments and subsequent Management Plan, Resettlement plan and budget preparation. 2) Providing detail documentation framework for IEE/ESIA/EMP. 3) To prepare, modify, review, and update the RHD specific guidelines related to land acquisition, resettlement, rehabilitation (resettlement portion) and environmental impact mitigation applicable for the projects implemented by RHD.				
14	Qualification and experience	Sl No.	Title	Relevant experience and qualification	Person	Months
Environmental Engineering Team						
	01	Senior Consultant		• Master's degree in Environmental Engineering/ Environmental Science or related discipline. PhD in relevant field is preferred • 15 (Fifteen) years general experience • Minimum 12 (Twelve) years of experience in environment impact assessment for road/infrastructure projects. • Knowledge of World Bank/ADB or any other MDBs guidelines regarding Environmental and Social Issues.	1	12
	02	Junior Engineer		• B.Sc. in Civil Engineering. • Minimum 02 (Two) years of experience in relevant field	2	12
Resettlement Advisory Team						
	01	Senior Consultant		• Master's degree in Social welfare studies or related discipline. PhD in relevant field is preferred • 15 (fifteen) years general experience • Minimum 12 (Twelve) years of experience in resettlement related activities for road/infrastructure projects. • Knowledge of world Bank/ADB or any other foreign aided projects regarding Social issues.	1	12
	02	Junior Engineer		• B.Sc. in Civil Engineering. • Minimum 02 (Two) years of experience in relevant field	1	12

The EOI should specially include (along with certified English translation if not in English).
a) The firm's registration certificate.
b) Company profile: including management, personnel, firm's specialty, performance.
c) List of rendered services in last 5 years for:
i. Experience in Environmental impact study, EMP, IEE for road construction
ii. Experience in preparing resettlement plan and budget.
d) Summary of relevant professional employees with key qualifications.

Association with foreign firm is Not allowed.

15	Other details (if applicable)	Further information can be obtained from the Office of the Superintending Engineer, Social and Environment circle from 10:00 AM to 4:30 PM in any working day before the closing date. With all supporting documents, the EOI must be delivered at or before 2.00 pm on March 25, 2021 in sealed envelopes marked with "Consultancy Services for Technical Support to the Social and Environment Circle, RHD" to the signatory address. The Request for Proposal (RFP) is expected to be issued to the short-listed Firms by April 7, 2021. The Client will not be responsible for any costs or expenses incurred by the Firm(s) in connection with the preparation or delivery of the EOI. The Procuring Entity reserves the right to accept or reject any proposal without assigning any reason.				
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PROCURING ENTITY DETAILS

16	EOI Ref No.	Phasing of services	Location	Indicative start date	Indicative completion date
			Office of the SE, Social and Environment Circle, Elenbari, Dhaka	June 2021	May 2022
17	Name of official inviting EOI	Mohammad Jahed Hossain.			
18	Designation of official inviting EOI	Superintending Engineer, RHD, Social and Environment Circle.			
19	Address of official inviting EOI	Elenbari, Tejgaon, Dhaka.			
20	Contact details of official inviting EOI	01730782581; E-mail: ses@rhd.gov.bd			
21	The procuring reserves the right to reject all EOIs.				

Annesha Das Hasi
ID No. 602252
Executive Engineer (RHD)
Environment Division
Alenbari, Tejgaon, Dhaka

Mohammad Jahed Hossain
ID No. 601962
Superintending Engineer (RHD)
Social and Environment Circle
Alenbari, Tejgaon, Dhaka



Fabiana Aziz

Partex Star Group gets new DMD

STAR BUSINESS DESK

Partex Star Group recently saw the appointment of a new deputy managing director.

The appointee, Fabiana Aziz, is the eldest daughter of Aziz Al Mahmood, the group's managing director.

She attained a bachelor's degree in business management and a postgraduate degree in marketing management from the University of Westminster, the company said in a statement.

US Commerce sets anti-dumping duties on aluminum sheet from 18 countries

REUTERS, Washington

The US Commerce Department on Tuesday issued final anti-dumping duties on common alloy aluminum sheet from 18 countries investigated, including up to 242.8 per cent on imports from Germany and 4.83 per cent on imports from Bahrain.

The duties were announced just hours after Rhode Island Governor Gina Raimondo won confirmation as the new US Commerce Secretary in an 84-15 US Senate vote.

The anti-dumping case and a companion anti-subsidy countervailing duty case were initiated under the Trump administration in March 2020. Common alloy aluminum sheet is a flat-rolled product used in building facades and truck trailer bodies to street signs.

Germany had the highest anti-dumping rate, ranging from 49.4 per cent to 242.8 per cent, and the largest exports of aluminum sheet to the United States, with \$286.6 million worth in 2019.

Bahrain, second with \$241.2 million worth of aluminum sheet exported to the United States,



A worker at German manufacturer of silos and liquid tankers, Feldbinder Special Vehicles, moves rolls of aluminium at the company's plant in Winsen, Germany.

received a 4.83 per cent anti-dumping duty rate and an anti-subsidy rate of up to 6.44 per cent.

Commerce's International Trade Administration issued a fact sheet showing anti-dumping and anti-subsidy rates for other countries,

including Brazil, Croatia, Egypt, Greece, India, Indonesia, Italy, Oman, Romania, Serbia, Slovenia, South Africa, South Korea, Spain, Taiwan and Turkey.

"There has been a revival in investment in US domestic

production of common alloy sheet. The key question...is whether the domestic increase in common alloy production is sufficient to offset potentially lower imports," said Wood Mackenzie's principal analyst Uday Patel.

"Aluminium demand is expanding rapidly in the United States at the moment and we expect the stimulus to further push demand growth for common alloy sheet over the next two years," Patel said, adding that imports will likely continue despite the duties.

Patel expected that some of the aluminium sheets will reroute to Europe, where demand is likely strong enough to absorb the extra metal, as well as Southeast Asia where they might face oversupply due to readily available Chinese material.

The duties will come on top of 10 per cent US tariffs imposed on most aluminium imports by the Trump administration under a national security law.

US aluminium premium was last at \$364 a tonne, easing from its highest since November 2019 of \$365 a tonne hit on Monday.

Akij Ventures gets new MD

STAR BUSINESS DESK

Akij Ventures and subsidiary Akij Food and Beverage recently witnessed the appointment of a new managing director and chief executive officer.

The appointee, Syed Alamgir, was the managing director of ACI Consumer Brands, ACI Salt, ACI Pure Flour and ACI Foods, according to a statement.

Alamgir started his career with UK pharmaceutical May & Baker on attaining an MBA degree from the Institute of Business Administration, University of Dhaka.

He served Jamuna Group as group marketing director from 1992 to 1998 prior to joining ACI as an executive director.



Syed Alamgir

Rakub gets new MD

STAR BUSINESS DESK

Rajshahi Krishi Unnayan Bank (Rakub) recently witnessed the appointment of its new managing director.

The appointee, Md Ismail Hossain, was previously serving as a deputy managing director at Janata Bank, according to a statement.

Hossain attained a master's degree in public administration from the University of Chittagong.



Md Ismail Hossain

New MD for Bangladesh House Building Finance Corporation

STAR BUSINESS DESK

Bangladesh House Building Finance Corporation (BHHFC) recently witnessed the joining of a new managing director following a gazette from the Department of Financial Institutions.

The appointee, Md Afzal Karim, was previously serving as a deputy managing director of Sonali Bank. He had joined the corporation in 1995 as senior principal officer. He also worked at Bangladesh Krishi Bank.

Karim obtained an honours degree in engineering (mechanical) from the Khulna University of Engineering and Technology.



Md Afzal Karim

\$3.6b Chinese loan uncertain after Dhaka drops projects from agreed list

FROM PAGE B1

However, the Chinese embassy recently stated that the MoU list was not of projects meant to be provided soft loans, and their side never made any commitment on the corresponding scale of soft loans.

It reminded that the amounts specifically mentioned against each project was not mentioned in the MoU, meaning the Bangladeshi side had unilaterally come up with the loan figures amounting to \$3.6 billion.

The finance ministry official also confirmed that the Chinese side had never committed soft loans of \$3.6 billion for the five projects.

In accordance with the principle of retaining the same number of projects in the list, five projects could be replaced through negotiations, the embassy said in a letter to the government.

It requested Bangladesh to

recommend for consideration and evaluation five new projects meant to be the replacements.

Exactly the same amounts can't be committed, the embassy informed.

At present, any single government-to-government project between China and Bangladesh reach scales much larger than those taken with other development partners, such as World Bank, Asian Development Bank and Japan International Cooperation Agency, according to the embassy.

This makes getting approval for large projects difficult, it pointed out.

The jute project was one such government-to-government project.

The BJMC signed an agreement with a Chinese firm in July 2016 wanting to secure technical assistance from the China Textile Industrial Corporation for

Foreign Economic and Technical Corporation.

The Chinese side was interested in helping modernise jute mills, said the official. But dropping it has apparently turned the situation sour.

"Since the Bangladesh side has unilaterally cancelled this project, the Chinese side shall no longer consider further cooperation in the field of textile and jute in the future," read the letter.

Now the government is looking for an alternative source to be lent the money, said the official.

The letter suggested that the Bangladesh side select new projects which were relatively of a smaller scale to be replacements for the old ones.

The new projects should meet standard requirements, such as having an associated feasibility study and environmental protection plans, it said.

China will no longer consider projects encompassing high pollution and high energy consumption, such as coal mining and coal-fired power stations, the letter said.

The Dhaka-Sylhet four-lane project was removed over corruption issues and a multilateral lender has agreed to provide the fund.

The remaining three projects are not on the government's priority list, so it is not keen to implement them using Chinese fund, said the official.

Of the 27 projects in the MoU list, seven have seen commercial agreements signed with contractors involving \$5.4 billion as of June 2020. China has disbursed \$1.60 billion.

The Daily Star had emailed the Chinese embassy last week for a comment regarding the fund involving the excluded projects. It is yet to receive a reply.

Processors warn of further rise in edible oil price

FROM PAGE B1

Md Dabirul Islam, head of finance and accounts at Bangladesh Edible Oil Ltd, said edible oil refineries spent around Tk 22,000 per tonne to refine crude oil. This cost includes both customs duty and advance tax.

On top of the refining cost, Tk 18,000 is added per tonne for bottling.

Islam said the refining cost was almost the same for all market players, and there was no scope to manipulate prices unilaterally or by any syndication as the market was highly competitive.

The price may decline when it comes down in the international market, he said.

Md Taslim Shariar, assistant general manager of Meghna Group of Industries, said the recent price hike was part of an adjustment in line with the global market.

Md Mahmodul Hasan, assistant chief of the BTTC, presented a paper on the overall situation of the edible oil market at the meeting.



SMC ENTERPRISE

Social Marketing Company (SMC) and SMC Enterprise Chairman Siddiqur Rahman, the company Managing Director (MD) Md Ali Reza Khan and the enterprise MD Abdul Haque attend the enterprise's sales conference for fiscal 2019-20 through a digital platform on Monday.



SONALI BANK

Finance Minister AHM Mustafa Kamal opens a Bangabandhu Mural and Mujib Corner at Sonali Bank's Dhaka head office through a digital platform.

Beximco stocks fall despite Tk 3,000cr Sukuk plan

FROM PAGE B1

If the dividend rate is equal to or below the base rate, the periodic distribution amount will be paid on par with the base rate only, according to the disclosure.

Beximco disbursed 5 per cent cash dividend for 2019-20, DSE data shows.

After issuing the bonds, the proceeds will be utilised to construct the solar projects of Teesta Solar and Korotoa Solar, two subsidiaries of Beximco Power Company.

It will also be used to finance the new machinery required to expand Beximco's textile division, it added.

Teesta Solar is a joint venture of Beximco Power and China's TBEA Xinjiang Sunoasis Company and it has an agreement with Bangladesh Power Development Board (BPDB).

Under the agreement, the BPDB will purchase electricity from Teesta Solar for 20 years at \$0.15 per kilowatt hour.

Korotoa Solar, a joint venture between Beximco Power and the Jiangsu Zhongtian Technology Company, has a similar agreement with the BPDB.

According to the 20-year PPA terms, BPDB will buy electricity from Korotoa Solar's plant at \$0.14 per kilowatt hour. City Investments Capital Resources is the issue manager of Beximco's Sukuk bond.

The bond will be named Beximco Sukuk Al Istisna and would be convertible to Asset Backed Sukuk. The face value of each bond, which will have five-year tenure, would be Tk 100 with a minimum subscription size of Tk 5,000.

Half of the fund would be raised through private placement from eligible investors, 25 per cent from existing shareholders and the rest through public offers.

Investors will have the option to convert up to 100 per cent of their

respective investment in the Sukuk into ordinary shares of Beximco within 5 years, the company said.

If any Sukuk holder does not want to convert in full or in part during the tenure, they will get back the fund at maturity in one bullet payment.

In December last year, the government issued Tk 8,000 crore Sukuk bonds for a safe water supply project. There was a huge response to this initiative from Shariah based banks, non-banking financial institutions and other eligible parties.

So, the private sector is also taking initiatives to issue Sukuk bonds.

With the Sukuk bond, investors' confidence will be higher because it is an asset backed bond, said Ershad Hossain, managing director and CEO of City Bank Capital Resources.

Sukuk bonds have a broader customer base as any investor can invest in either the Shariah based or conventional bonds, he added.

Pandemic keeps hurting exports

FROM PAGE B1

Between July and February, or the current fiscal year's first eight months, garment shipment declined by 3.73 per cent year-on-year to \$21.03 billion.

During the period, knitwear export accounted for \$11.34 billion, registering a 4.06 per cent growth.

However, in the case of woven item shipment, there was an 11.49 per cent decline, meaning it amounted to \$9.69 billion in the eight months.

"The woven sector is clearly in a distressed situation," said Rubana Huq, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

The growth of garment export in February was 5.71 per cent in the negative, of which knitwear export registered a 5.78 per cent positive growth and woven posted 15.47 per cent negative, Huq said.

"Woven garment export growth has declined for the 19th consecutive month due to a slowdown in demand in the time of lockdown in major

markets," she said.

Given the backdrop of the faltering progress from Covid-19 and the impact on global business, the distressing situation may prevail for more months till demand at the retail end starts responding positively, Huq also said.

"The price fall issue is another major challenge the industry is facing due to recessed orders. An interim policy measure is required to support the industry to survive till the market shows silver linings," she said.

Apart from woven items, shipments of leather and leather goods declined 4.15 per cent to \$605.67 million, frozen and live fish 10.28 per cent to \$338.01 million, footwear (other than those of leather) 0.29 per cent to \$218.84 million, and raw jute 5.96 per cent to \$106.36 million in the eight months.

Export earnings from other important sectors like agricultural products, special textile, shrimp, vegetables, ceramics, plastic goods, terry towel, knit fabrics, crabs, fruits,

golf shafts, headgears, furniture and paper and paper goods, also declined.

However, some sectors showcased earnings in positive.

They include jute and jute goods (23.67 per cent to \$862.74 million), home textile (38.92 per cent to \$730.82 million), leather footwear (0.20 per cent to \$377.34 million) and chemical products (21.34 per cent to \$172.37 million).

Moreover, the export of bicycles, dry foods, rubber, tea, light engineering products, pharmaceuticals, electronics goods, carpets and handicrafts also grew.

LafargeHolcim share declines despite jump in profits

FROM PAGE B1

The recent initiatives by the government coupled with improvements in inward remittances will help rural demand make a turnaround, it said, adding that the government impetus on infrastructure will play a strong role in driving cement demand.

\$58m PPP project for Patenga terminal gets cabinet nod

STAR BUSINESS REPORT

The cabinet committee on economic affairs yesterday approved in principle a \$58 million project to increase the efficiency and logistical capacity of Chattogram port.

The project titled "Equip, Operate and Maintenance of Patenga Container Terminal" will be implemented under the public-private partnership (PPP) model, said the PPP Authority in a press release.

Mohammed Mezbah Uddin Chowdhury, secretary of the shipping ministry, provided an outline of the project to the meeting and sought approval.

Chattogram port is the largest port in Bangladesh and plays an important role in the economic development of the country. The under-construction Patenga Container Terminal project will increase the efficiency and the logistical capacity of the port.

According to a survey by the shipping ministry, the potential investment for the project is \$58 million, and the annual operating cost is \$8 million, the press release said.

Sultana Afroz, chief executive officer of the PPP Authority, said the output of the container terminal would be enhanced with the help of modern technology, equipment and skilled manpower if the project is managed and maintained by a private partner through PPP.

"At the same time, it will be possible to increase the capacity of the Chattogram Port Authority through knowledge-sharing and technology transfer."

She added that the implementation of the project would create jobs in the region and help alleviate poverty.

At present, seven PPP projects under the shipping ministry are at various stages of implementation.



A view of one of the terminals of Chattogram Port which registers congestion frequently nowadays because of increasing number of containers.

RAJIB RAIHAN

Workers of shuttered jute mills demand arrears

Place six-point demand before BJMC

STAFF CORRESPONDENT, Cg

The workers of nine state-owned jute mills that were shut last year staged a two-hour demonstration in front of the Bangladesh Jute Mills Corporation (BJMC) office in Chattogram yesterday.

During their protest, the workers placed a six-point demand to the BJMC. This includes payments of arrears for all displaced workers and the release of their leader Ruhul Amin.

A number of workers who participated in the demonstration claimed that are struggling to maintain their livelihoods ever since the mills were closed on June 2, 2020.

"We did not receive our salaries or allowances after the closure was announced," said Nasir Uddin Ahmed, a worker.

"As a result, we are living an inhumane life," he added.

Ahmed also claimed that workers' leader Rahul Amin was sued under the Digital Security Act for voicing their demands.

"Other leaders and workers are also being harassed in various ways. So, we made a human-chain and placed our six-point demand."



The workers of nine state-run jute mills that were shut down last year staged a sit-in in front of the Bangladesh Jute Mill Corporation office yesterday.

COLLECTED

Banks, NBFIs asked to sever ties with CTO Forum

AKM ZAMIR UDDIN

Bangladesh Bank has asked banks and non-bank financial institutions (NBFIs) to sever ties with CTO Forum Bangladesh as the latter's president spread false information on the capability of lenders in tackling cyberattacks.

The central bank issued letters on March 1 asking the banks and NBFIs to inform within March 11 of compliance with the instruction.

They will also have to ensure that their officials have withdrawn memberships with the platform and then provide their names.

The instruction has been given as per suggestions of the ICT Division and BGD

e-GOV CIRT or Bangladesh Government's Computer Incident Response Team, according to the letter.

Tapan Kanti Sarkar, president of CTO Forum Bangladesh, spread the false information while delivering a speech at a talk-show organised by a private TV channel last year.

CTO Forum Bangladesh is said to be a platform of present and past chief technology officers, chief information officers, head of technology and head of IT or equivalent positions of ICT user organisations in Bangladesh.

Contacted, Sarkar said to have just echoed comments provided by BGD e-GOV CIRT. The BGD e-GOV CIRT's current responsibilities

include receiving, reviewing, and responding to computer security incidents and activities.

"The BGD e-government CIRT said that five Bangladeshi banks had faced cyberattacks. But the organisations successfully resisted the attack. And I just delivered the information at the talk-show," Sarkar said.

"The moderator of the talk-show also asked me whether the Bangladeshi banks are capable of tackling the cyberattack. In reply to the question, I said banks in Bangladesh did not have adequate skill to prevent the attack," he said.

"For this reason, the BGD e-government CIRT was forced to resist the cyberattack," he added.

GLOBAL BUSINESS

Spanish unions cry foul as Inditex shuts stores

REUTERS, Madrid

Inditex staff in Spain say they are being forced out as the owner of fast-fashion brand Zara rolls out its plan to shut up to 1,200 stores worldwide, despite a company agreement with Spanish unions to project jobs.

The world's biggest clothes retailer is closing smaller outlets while expanding flagship stores and the Spanish closures are the first of up to 700 expected this year in Europe, as well as 100 in the Americas and 400 elsewhere in the world.

Under a December agreement, seen by Reuters, with two Spanish unions, Inditex aims to provide all affected staff with new vacancies matching their old contracts and seniority within 25 km (16 miles) of where they used to work.

But unions and staff say it's not going to plan.

In an internal report seen by Reuters, the UGT union analysed vacancies offered by Inditex and found 40 per cent of the new positions were outside the province where the worker in question had worked, in some cases on the other side of the country.



People hold flags from Spain's CGT labour union as they protest outside a Zara clothing store, an Inditex brand, in Madrid.

REUTERS/FILE

The report said one in four workers offered new positions in Spain so far had quit.

"If workers who used to work 40 hours are offered 12-hour jobs, hours away, that's not preserving employment," said Cristina Estevez, UGT's retail representative.

UGT, the second-biggest Spanish union within Inditex, signed the deal with the company along with the leading syndicate CCOO.

An Inditex spokesman said in an email to Reuters that it was complying with the union agreement and that relocations respected, "all its principles, wording and spirit, which is to prioritise the maintenance of jobs".

The company was offering more than one vacancy for every job lost, the spokesman said, pointing out that 75 per cent of workers had

been successfully relocated so far.

Clothing sales at Inditex and rivals such as H&M and Next recovered towards the end of last year from record lows when the COVID-19 pandemic first struck, boosted by online shopping and a quick rebound in China.

But the retail industry's recovery in the western world has been frustrated by lockdowns extending well into 2021 and slow vaccine rollouts in some countries.

While most retail jobs lost in the first quarter of 2020 in the United States and Europe have been reinstated, the number of people employed in the sector remains well below pre-pandemic levels, according to data from Eikon Datastream and Eurostat.

In the United States, the shortfall is about 400,000 jobs while in Europe it's nearly 350,000, the data showed.

Inditex said in June it would close 1,000 to 1,200 of its smaller, less profitable stores worldwide by the end of 2021. The pandemic tipped the company into a loss for the first time though Inditex attributed the closures to strong results from its integrated online and in-store model.

India's services growth at one-year high on boom in domestic demand

REUTERS, Bengaluru

India's dominant services activity grew at its fastest pace in a year last month, driven by an extended robust recovery in domestic demand though input costs rose at the quickest rate in eight years, a private survey showed.

Asia's third largest economy came out of a technical recession and expanded 0.4% annually last quarter and the recovery is widely expected to gather pace in the year ahead amid hopes a successful vaccine rollout will boost business activity.

The Nikkei/IHS Markit Services Purchasing Managers' Index rose to

points to a strong expansion in the fourth quarter should growth momentum be sustained in March," said Pollyanna De Lima, economics associate director at IHS Markit.

The economic rebound and the solid recovery in manufacturing activity helped boost the composite PMI to a four-month high of 57.3 in February.

Still, services firms reduced headcount at the sharpest pace in three months, signalling the bruised labour market will take more time to fully recover.

Firms faced the strongest increase in input costs in eight years but were unable to transfer it on to customers as they tried to



A waiter wearing protective face mask and gloves sets a table inside a restaurant of JW Marriott hotel, in Kolkata.

REUTERS/FILE

55.3 last month from 52.8 in January, its highest since February 2020, just before the coronavirus pandemic hit the economy.

It has stayed above the 50-level mark separating growth from contraction for the fifth straight month as a sub-index tracking new business orders hit a year high. The positive impulse came despite a persistent contraction in foreign demand, albeit the pace of the downturn was the slowest since March 2020.

"Economic activity is generally expected to recover in the final quarter of fiscal year 2020/21 after coming out of technical recession in (fiscal) Q3, and the latest improvement in the PMI indicators

maintain their market share and stimulate new orders.

That along with a recent spike in oil prices - a key component of headline inflation - mean overall price pressures are likely to intensify, making it difficult for the Reserve Bank of India to remain so accommodative.

"Again, inflation remains a topic of concern," said De Lima. "Once firms' additional cost burdens start to feed through to clients via price hikes, demand strength may come under pressure."

However, optimism was at a 12-month high last month, driven by the ongoing economic recovery and hopes for a successful vaccine rollout.

Samsung considers four sites in US for \$17b chip plant

REUTERS, Seoul

Samsung Electronics Co Ltd is considering two sites in Arizona and another one in New York in addition to Austin, Texas, for a new \$17 billion chip plant, according to documents filed with Texas state officials.

The tech giant is also seeking combined tax abatements of \$1.48 billion over 20 years from Travis County in Texas and the city of Austin, it added in the documents dated Feb. 26, up from the \$805.5 million previously mentioned.

Samsung is in talks with the sites at Arizona and New York, with each offering property tax abatement and "significant grants and/or



Signage is seen at the Samsung 837 store in the Meatpacking District of Manhattan, New York, US.

REUTERS/FILE

refundable tax credits" to fund infrastructure improvements, the documents said.

The new plant Samsung plans to build would produce "advanced logic devices" for Samsung's chip contract manufacturing business, and could create 1,800 jobs, according to previous documents filed with Texas state officials.

Samsung already has a chip plant in Austin, which due to shutdowns caused by a winter storm last month is expected to need a couple of weeks to resume production.

Samsung is considering a number of possibilities in terms of expansion, a spokesman for the South Korean firm told Reuters on Wednesday, without elaborating.