

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
Week-on-week		As of Friday		Friday Closings				As on Thursday			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.96%	▲ 1.21%	\$1,726.41	\$69.22	▼ 0.95%	▲ 1.73%	▼ 0.35%	▲ 0.47%	BUY TK 83.95	99.08	116.08	12.68
5,568.85	9,749.95	(per ounce)	(per barrel)	50,792.08	29,717.83	3,095.22	3,453.08	SELL TK 84.95	102.88	119.88	13.33



# Star BUSINESS

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## Sugarcane farmers suffer massive losses

Late harvest worsens quality, brings down sugar yield rate

KONGKON KARMAKER, from Dinajpur

Sugarcane growers based in six catchment areas have suffered heavy losses this year as the total weight of the crops shrivelled because of a late harvest, bringing down sugar yield.

The sugar yield or recovery rate of most mills was below 5.20 per cent, except for the North Bengal Sugar Mills in Natore.

The average recovery rate, which refers to sugar produced after processing a definite weight of sugarcane, in Bangladesh is half of India and Brazil, the world's top two sugarcane producers.

"Aside from growers, the mills also suffered heavy losses this season due to the low recovery rate as sugarcane dried up because of late harvesting," said a managing director of a sugar mill in the northern district.

Sugar production at six mills was suspended to bring down losses for the 2020-21 fiscal year. However, things happened in reverse as nine other mills also were in the red, they added.

Sugarcane usually remains juicy if it is harvested before January 15.

The nine sugar mills procured sugarcane from the catchment areas within the standard harvesting period, various sources said. There are



Sugarcane is seen being tossed into a turner for processing at Joypurhat Sugar Mill. Yields were low for the current season due to a late harvest, leading to a dip in mills' recovery rates.

## No overnight relief from losses

Says chairman of Bangladesh Sugar and Food Industries Corporation

JAGARAN CHAKMA

The Bangladesh Sugar and Food Industries Corporation (BSFIC) will not get relief from the losses anytime soon despite closing six mills.

The sugar mills of the BSFIC have been facing losses for years as management of the mills showed excess expenditure than actual and the collective bargaining agent (CBA) leaders pocketed public money by charging extra for the sugarcane they indirectly supplied, although they are not supposed to do so.

Both, management of mills and the CBA leaders were responsible for the losses of the mills, the BSFIC said in its

assessment.

For this reason, the government had to subsidise the mills giving a considerable subsidy.

"The mills will not get relief from the losses this year, although sugarcane crushing has stopped at six mills as it is not possible to reduce the losses instantly," said Md Arifur Rahman Apu, chairman of the BSFIC.

However, the expenditure will reduce slightly due to the closure of six mills.

The BSFIC has a target to produce around 50,000 tonnes of sugar this year from nine existing mills. The government shut six mills in a bid to reduce losses.

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Production cost for each kg of sugar  
Tk 131.40 to Tk 319.34

BSFIC sold sugar at Tk 52.78 to Tk 57.54 per kg

### REASONS FOR LOSSES: FY16 TO FY20

SOURCE: BSFIC ASSESSMENT

Loss was Tk 78.86 to Tk 216.18 per kg

Mills management and CBA leaders responsible for losses

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a total of 15 sugar mills in the county.

At the end of November last year, the Bangladesh Sugar and Food Industry Corporation (BSFIC) decided to shutter six of the mills in order to avert operational losses.

The six mills are Setabganj Sugar Mills, Shyampur Sugar Mills, Rangpur Sugar Mills, Panchagarh Sugar Mills, Pabna Sugar Mills, and Kushtia Sugar Mills.

The BSFIC also decided to procure sugarcane from the catchment areas that previously fed the six shuttered mills in order to supply the nine remaining functional units.

Sugarcane crushing started at these mills between December 11 and 18 last year.

Sugarcane sourced from Dinajpur, Thakurgaon and Panchagarh is crushed at Thakurgaon Mills, while harvests from Rangpur, Gaibandha and Joypurhat are crushed at Joypurhat Mills.

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## Tk 5,883cr digital connectivity project on way

REJAUL KARIM BYRON and MAHMUDUL HASAN

The government is set to undertake a huge Tk 5,883 crore digital connectivity project, in a move that could equip every corner of the country with the latest ICT infrastructure, making almost all government services digital and increasing the use of ICT at field levels.

Under the project, the government will establish 109,244 broadband and user connections, 10,000 digital labs, 57 specialised labs, a central cloud platform and frontier technology centre of excellence, IT infrastructure in district and upazila complexes and training facilities.

With the new IT infrastructure covering eight divisions, 64 districts and all upazilas, including union and village levels, the government wants to make its services accessible to the people in a quicker and easier manner by converting them into e-services.

The project proposal will be placed at the Executive Committee of the National Economic Council on Tuesday for approval.

The implementation period of the project starts from January 2021 and ends in December 2024 with the ICT department of the division being in charge of the implementing agency.

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### THE PROJECT WILL...

- Provide **109,244** broadband connections to govt offices
- Establish **10,000** Sheikh Russel Digital Labs in schools
- Set up **57** specialised IT labs
- Establish **555** digital service & training centres
- Construct a **21**-storey tower in capital's Purbachal
- Turn **10** localities into digital villages

## Capital machinery import yet to get momentum

AKM ZAMIR UDDIN

Import of capital machinery, industrial raw materials and intermediate goods is yet to get momentum despite the pickup in economic activity in Bangladesh because of the persisting coronavirus pandemic.

This will only further its already adverse impact on the economy in the days to come as uncertainty is deepening after the deadly flu started spreading once again, both locally and globally.

Between July and December of the current fiscal year, the import of capital machinery stood at \$2.65 billion, down 36.62 per cent year-on-year, data from the central bank showed.

The import of capital goods, however, increased 10 per cent during the period.

"The trend indicates that businesspeople are yet to get back their confidence to set up new industrial units or expand their existing ones," said Asif Ibrahim, chairman of the Chittagong Stock Exchange.

Coronavirus infections are surging in some European countries, which are forcing them to impose lockdowns for the second or third times.

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## Govt takes Tk 438cr project to cultivate fallow lands

STAR BUSINESS REPORT

The government has taken on a Tk 438 crore project to cultivate fallow lands across the country, according to Agriculture Minister Muhammad Abdur Razaque.

"Under this project, family nutrition gardens will be established in personal yards and fallow lands," he said.

Razaque made these comments during the annual general meeting of the Bangladesh Agricultural Development Corporation (BADC) Krishibid Samiti, held at the Bangabandhu International Conference Center in Dhaka yesterday.

"As a result, food production will further increase," he added.

The project was taken in line with a directive from Prime Minister Sheikh Hasina to bring every inch of land under cultivation in order to face the Covid-19 induced food shortage.

Bangladesh has 87.96 lakh hectares of arable land, of which 83.41 lakh hectares are already under cultivation. The remaining 4.55 lakh hectares of land remains fallow, data from the Bangladesh Bureau of Statistics shows.

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## BSEC looking into complaints raised over Padma Bank

The commission chairman says at ERF dialogue

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) is investigating complaints regarding Padma Bank and it will take action as per the law, Shibli Rubayat-Ul-Islam, chairman of the commission, said yesterday.

The BSEC received a letter from Mohiuddin Khan Alamgir, founder and former chairman of Padma Bank, and a separate letter from the bank about the complaint, he said.

He spoke at the maiden "Economic Reporters' Forum (ERF) Dialogue on Business and Economy" at the ERF office in Dhaka.

However, the BSEC chairman did not disclose details about the complaint.

Alamgir has accused incumbent Chairman Chowdhury Nafeez Sarfat of misusing Tk 100 crore from the troubled lender.

Alamgir, who established Farmers Bank in 2013 that was later renamed as Padma Bank for gross financial irregularities, made the accusation in a letter to the central bank on March 7.

At the event, Shibli Rubayat-Ul-Islam also said the commission targets to bring

to the market at least six local big industrial conglomerates with annual turnover of over \$2.5 billion.

The step has been taken to increase the number of quality shares in the stock market, he said.

"Of the six, one with above \$4 billion in annual turnover has already contacted the commission to come to the market."

However, he again declined mentioning the names of those companies.

"Many people think that Bangladesh does not have such big companies. But, the country now has many entities with \$1 billion in annual turnover."

The companies have grown manifold with the gradual rise of the economy, he said.

Currently, the country now has a Tk 500,000 crore stock market, which was Tk 350,000 crore even a few months ago, indicating a positive trend in the market, he said.

"We are expecting a major change in our stock markets within the next two years as we have taken some bold steps to help the positive trend continue in the stock markets."

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