

# Onion seed growers expect bumper crop



Onion seeds are in full bloom in a vast field in Faridpur, one of the largest seeds and onion growing regions in the country. The seed harvesting begins next month.

PHOTO: SUZIT KUMAR DAS

SUZIT KUMAR DAS, Faridpur

Onion seed growers in Faridpur, one of the largest onion-producing districts, expect bumper yields this year thanks to favourable weather.

Farmers have cultivated different varieties of bulbs for seeds such as Rajshahi Tahirpur, Superking, Sukhsagar, BARI-4, and Nasik King, apart from hybrid onion seeds.

Faridpur has been a major hub for onion seed production for years because of suitable weather and soil.

"My grandfather used to cultivate onion seeds, and I am doing this too. Most of the farmers of our area have been cultivating onion seeds for generations," said Abul Hasan Tuhin, a farmer at Vasanchar village in the sadar upazila of the district.

Faridpur is the second-biggest onion-producing district, followed by Pabna. It accounted for 15 per cent of the total annual production of 18 lakh tonnes in the fiscal year 2018-19, data from the Bangladesh Bureau of Statistics showed.

In Bangladesh, farmers produce about 700 tonnes of onion seeds annually, and Faridpur accounts for 60-65 per cent of the production.

The first week of November to the second week of December is suitable for onion cultivation, and the harvesting begins in the first week of April.

Tuhin cultivated onion seeds on 2.5 acres of land this year. He invested Tk 70,000. "I hope I will be able to bag 5.25 maunds of onion seeds," the 34-year-old said.

Growers have extended the cultivation of onions for seeds to 1,711 hectares in nine upazilas in Faridpur, up 22 per cent from 1,400 hectares the previous year, data from the district office of the Department of Agricultural Extension (DAE) showed.

During a visit to Vasanchar village, this correspondent found that onion growers were passing busy time. Some farmers were hopeful about a bumper yield.

Md Halim Mollah, an onion seed grower in Uttar Alipur of Faridpur upazila, grew onion seeds on four acres this year and said he expected a good yield this year.

Last year, the 70-year-old farmer took home 3.1 maunds of seeds and sold them at Tk 7 lakh.

"The farmers in my locality cultivate onion seeds as it is more profitable than other crops. So, we grow them in all of our lands," said Saidur

Rahman, another former from Vasanchar village. Shahida Begum, a seed grower in Gobindapur village of Faridpur, planted onion seeds on 35 acres of land at an investment of Tk 84 lakh.

She is expecting 350 maunds of onion seeds. Last year, she bagged 200 maunds of onion seeds and sold each maund at Tk 2 lakh.

Farmers are more interested in cultivating the bulb after the prices of the popular cooking ingredient went through the roof in the last two years following an export ban by India.

Farmers cultivated onions on 2.53 lakh hectares of land this year, up 7 per cent year-on-year, DAE showed.

Farmers say they usually sell one maund of onions seeds at Tk 1 lakh. The price rose because of the high demand from producers at the beginning of the cultivation season.

"We will be able to make a profit if we can sell each maund at Tk 1.2 lakh," said Begum, who sells seeds to farmers from Rajbari, Pabna, Gopalganj, and Madaripur.

Hazrat Ali, deputy director of the DAE in Faridpur, said: "Farmers are turning to onion seed cultivation as it is more profitable than other crops."

"We are expecting 1,000 tonnes of onion seeds this year if no natural disaster strikes."

# Anlima Yarn's stock prices soar on rumours

STAR BUSINESS REPORT

The price of Anlima Yarn Dyeing's stocks has been rising continuously for the past couple of days riding on rumours in spite of the fact that its profits had declined in the last two quarters.

Furthermore, the company had informed its investors of having no undisclosed price sensitive information that could lead to a rise in stock prices.

Yet, the price of each share rose 22 per cent to Tk 45.5 in the past seven days.

In a span of the past three months, it was a rise of 45 per cent starting off from Tk 29, as per the Dhaka Stock Exchange data.

A stock broker, preferring anonymity, said the Anlima stock price has been rising solely for rumours.

"There is nothing but pure gambling. It has no huge profits or news that can improve its situation," he said.

The dyeing company's profits dropped 28 per cent year-on-year to Tk 30.45 lakh in the first half of 2020-21.

Some investors explained that their peers were buying the stocks despite knowing that unscrupulous actors were at play, coordinating efforts to take the shares to a high level.

"Such investment may even erode their money but who cares. As the company's paid-up capital is small, the number of

shares is small and a handful of investors can influence prices of the stocks," said the broker.

The company's paid-up capital is Tk 17.8 crore. It provided 2 per cent cash dividend for fiscal 2019-20, which ended on last June 30.

The company posted Tk 8.08 crore in



sales in the first half of fiscal 2020-21, down 12 per cent year-on-year from Tk 9.23 crore.

About the profit fall, the company in its half yearly annual report said it provides yarn dyeing services to export-oriented knit and woven fabric manufacturers.

Sales of sewing thread is dependent upon orders from garment factories. Total sales are seasonal and dependent upon the style of exports. As such, the sales revenue varies from quarter to quarter depending upon the export order behaviour, it said.

The company generated Tk 1.14 crore less in sales revenue in the second quarter of 2020-21 compared to the corresponding quarter of 2019-2020.

"Due to decrease in sales the earnings per share have declined to Tk 0.17 from Tk 0.24 in the corresponding quarter of 2019-2020," it said.

# Mobile operators bemoan tax burden

STAR BUSINESS REPORT

Although mobile network services have become essential amid the ongoing coronavirus pandemic, the taxes levied on operators hamper the industry's growth and also burden consumers, according to experts.

"The consumption tax for mobile network services is higher than all other industries," said Mahtab Uddin Ahmed, president of the Association of Mobile Telecom Operators of Bangladesh (AMTOB).

If a customer spends Tk 100 on a mobile service, Tk 53 goes to taxes while another Tk 20 is used to avail various services from other licensees in the sector.

Besides, the corporate tax is as high as 45 per cent and even if a network provider fails to make a profit, it still has to pay 2 per cent turnover tax.

"So, the tax structure needs to be reformed and unified licensing needs to be enacted so that mobile operators can provide more services," he added.

Ahmed, also managing director and chief executive officer of Robi Axiata, made these comments on Sunday while speaking at an online discussion styled, "Mobile Communication in Bangladesh: Challenges of the Future".

The event, jointly organised by AMTOB and Daffodil International University, was a part of a series of webinars beginning in January.

"It is possible to solve the telecom sector's problems through a coordinated effort from relevant government departments, including the telecom and tax regulatory bodies," said Md Kamruzzaman, additional secretary of the Posts and Telecommunications Division.

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## GLOBAL BUSINESS

# Bitcoin ATMs gain traction in US

REUTERS

A new feature has appeared at smoke shops in Montana, gas stations in the Carolinas and delis in far-flung corners of New York City: a brightly-lit bitcoin ATM, where customers can buy or sell digital currency, and sometimes extract hard cash.

The machines have multiplied quickly through the United States over the past year, fueled by a frenzy in crypto trading that sent bitcoin prices over \$58,000. Kiosk operators such as CoinFlip and Coin Cloud have installed thousands of ATMs, scouring areas competitors have not yet reached, executives told Reuters.

"I just assumed there was demand and people wanted bitcoin everywhere," said Quad Coin founder Mark Shoiket, who flew to Montana after scanning a US map for bitcoin ATM deserts.

During a week-long road trip, he found seven places to install machines, including 406 Glass, a store in Billings, Montana, that sells tobacco, vape juice and colorful glass pipes. As of January, there were 28,185 bitcoin ATMs in the United States, according to howmanybitcoinatms.com, an independent research site. Roughly 10,000 came within the prior five months.

Bitcoin's growing popularity has been the primary driver for new installations.

The reasons people use ATMs rather

than transacting online vary. Some get paid in cash, some lack bank accounts, some want to send remittances abroad or want anonymity, while others feel more comfortable interacting with a physical machine.

Rebecca White, a 51-year-old bitcoin investor who lives in the Pittsburgh area, makes larger investments online and uses bitcoin ATMs when her family has extra money. "When we do our grocery shopping and we have \$60 left, I will stop at the bitcoin ATM," said White, who works in the nuclear power industry.

Some machines only offer bitcoin, while others let customers invest in various digital currencies. Few bitcoin ATMs can actually spit out cash, and they cost more than regular ATMs or transacting online.

Fees range from 6 per cent to 20 per cent of a total transaction, said Pamela Clegg, director of financial investigations and education at cryptocurrency compliance firm CipherTrace. Fees vary depending on the location and Bitcoin ATM operator.

"The growth of the ATM market - it is not even a gentle increase, it is almost a 45 per cent increase," Clegg said. "The growth is quite astonishing." Government agencies have raised red flags about some machines because of their cost and the potential for illicit activity.



Bitcoin ATMs are rapidly gaining popularity in the US, where a frenzy of crypto trading has shot bitcoin prices above \$58,000.

REUTERS

# China's factory output surges as recovery accelerates

REUTERS, Beijing

China's industrial output growth quickened in January-February, beating expectations, as the vast manufacturing sector started 2021 on a firm footing and the economy consolidated its brisk recovery.

Retail sales in the period also rose in a boost to domestic demand, giving a strong lift to business activity on top of the recent upsurge in exports growth.

Industrial output rose 35.1 per cent in the first two months from a year earlier, up from a 7.3 per cent year-on-year uptick seen in December, shows data from China's National Bureau of Statistics (NBS). That was stronger than a median forecast of a 30.0 per cent surge in a Reuters poll of analysts.

China's ability to contain the coronavirus pandemic before other major economies were able to do so has allowed it to rebound faster, with the recovery helped by robust exports, pent-up demand and government stimulus.

While the impressive numbers are in part due to distortions from last year's massive slump in activity, other measures show the recovery is broad-based with industrial output up 16.9 per cent compared with the first two months of 2019, before the pandemic struck.

An NBS official said that positive factors for China's economy are increasing but the foundation for the recovery is not yet solid.

A rebound in foreign demand drove export growth in February to a record pace, while factory gate prices posted the biggest expansion since November 2018.



China's economic recovery from the ongoing coronavirus pandemic has been fueled by increased industrial output amid growing activity in the retail sector.

REUTERS/FILE

China's economic activity is normally distorted and volatile in the first two months because of the week-long Lunar New Year holiday, which fell in February this year.

Retail sales increased 33.8 per cent from a year earlier in the first two months, compared with a rise of 32 per cent tipped by analysts, marking a significant jump from 4.6 per cent growth in December and after a 20.5 per cent contraction for January-February of 2020.

Sales grew 6.4 per cent compared with the first two months of 2019. Fixed asset investment

increased 35 per cent in the first two months from the same period a year earlier, slower than a forecast 40.0 per cent jump. That compared with 2.9 per cent year-on-year growth in 2020, and a 24.5 per cent plunge in January-February last year.

Investment grew 3.5 per cent compared with the first two months of 2019.

Private-sector fixed-asset investment, which makes up 60 per cent of total investment, rose 36.4 per cent in January-February, versus a 1.0 per cent increase for the full year of 2020.

# Bank strike cripples Indian state lenders

AFP, Mumbai

Operations of Indian state-owned banks were hugely disrupted on Monday after hundreds of thousands of workers went on a strike to protest the privatisation plans for two public banks, unions said.

Transactions worth more than \$400 billion were affected in Maharashtra state, which includes the financial capital Mumbai, union leaders said.

Some state-owned banks closed, while others saw cash and clearing activities hit on the first of the two-day strike.

"Right from the sweeper to the bank manager, we are seeing complete participation in this strike," said Devidas Tuljapurkar, convener of the United Forum of Bank Unions (UFBU), an umbrella body of nine unions that claims one million members.

The UFBU called the strike to protest the recent privatisation of IDBI Bank, as well as the plan to

sell off two more public banks, as outlined by Finance Minister Nirmala Sitharaman.

Tuljapurkar said the government would be "handing over the hard-earned savings of the common man to corporates who have already duped the banking system so many times before".

While many branches of State Bank of India, Bank of Baroda and Punjab National Bank were closed due to the strike, operations at private banks such as HDFC Bank and ICICI Bank were unaffected.