

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.86%	▲ 0.74%	\$1,792.07	\$71.45	▲ 0.09%	▼ 0.57%	▲ 0.09%	▲ 0.49%	BUY TK 84.25	98.43	114.92	12.75
7,258.74	12,673.04	(per ounce)	(per barrel)	58,305.07	30,008.19	3,071.70	3,693.13	SELL TK 85.25	102.23	118.72	13.41



BUSINESS

DHAKA FRIDAY SEPTEMBER 10, 2021, BHADRA 26, 1428 BS • starbusiness@thedailystar.net

Take actions against wilful loan defaulters

FBCCI urges banks

STAR BUSINESS REPORT

Bangladesh's top trade body yesterday urged banks to take actions against the wilful loan defaulters to bring down the amount of bad loans.

"Action should be taken against wilful defaulters while extending cooperation to unintentional defaulters," said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI).

He made the remark at a view-exchange meeting with the managing directors and chief executive officers of commercial banks styled "Role of the banking sector in the development and progress of the economy: challenges and opportunities" organised by the FBCCI at the Sheraton Dhaka hotel.

Business leaders and CEOs expressed their keenness to work together to move against the wilful defaulters to reduce the default loans.

Non-performing loans stood at Tk 99,205 crore in June, up 11.80 per cent

Non-performing loans stood at Tk 99,205 crore in June, up 11.80pc from six months earlier and 3.21pc year-on-year

from six months earlier and 3.21 per cent year-on-year, data from the Bangladesh Bank showed.

Ali Reza Iftekhar, chairman of the Association of Bankers Bangladesh (ABB), a platform of CEOs of the banks, sought cooperation from the FBCCI to recover the default loans.

Obayed Ullah Al Masud, managing director of Rupali Bank, said the FBCCI could organise a meeting on the recovery of defaulted loans. "This will be very beneficial for all banks."

Ghulam Mohammed Alomgir, chairman of Max Group, said: "Time has come to stand by those who are bad customers. Now is the time to help them become better customers."

"If banks think of profit at this time, it will not work."

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Govt goes all out to sign FTAs

Taking measures for post-LDC trade benefit, says official

REFAYET ULLAH MIRDHA

Bangladesh is gearing up to sign free trade agreements (FTAs) and amend labour laws to continue to avail duty benefits on merchandise export once it comes out of the least developed country (LDC) status, said Commerce Secretary Tapan Kanti Ghosh yesterday.

FTAs and preferential trade agreements (PTAs) with major trading partners are considered to be the major tool for future market access once the country graduates from a least developed to a developing nation in 2026.

Moreover, negotiations with the European Union (EU) are underway for becoming eligible for the Generalised System of Preferences (GSP) Plus after the expiry of the European GSP in 2029, said Ghosh.

He was talking to The Daily Star over the phone after a second meeting of the Sub-committee on Preferential Market Access and Trade Agreement at his Bangladesh Secretariat office.

However, to become eligible for the GSP Plus, Bangladesh needs to amend its existing labour law and those involving economic processing zones (EPZs).

This is to comply with 27 international conventions, including four core ones centring labour rights, good governance, protection of environment and human rights.

"We discussed the issue of labour

FOR POST-LDC TRADE BENEFITS

- ▶ Bangladesh gears up to sign FTAs
- ▶ Labour law will be amended
- ▶ Dhaka lobbying with EU for GSP Plus benefit
- ▶ Bangladesh needs to improve on 27 int'l conventions for GSP Plus
- ▶ Bangladesh is trying to sign FTA with Indonesia and CEPA with India
- ▶ Dhaka and Kathmandu are in negotiation to sign PTA
- ▶ Bangladesh and Bhutan signed PTA last December



law amendment at the meeting as the labour ministry is trying to do it in accordance with international standards for market access after the graduation," Ghosh said without elaborating further.

Availing the GSP Plus is important because the EU is the largest trade bloc for the country. Some 58 per cent of merchandise and 64 per cent of garment items

in particular are destined for the EU from here every year.

If the country loses its competitiveness in exports to the EU, local industries and employment might fall into trouble as Bangladeshi goods would have to face a 12 per cent duty.

However, if Bangladesh can avail the GSP Plus, local exporters will continue to enjoy zero-duty benefit

to the EU.

The commerce ministry has been lobbying with other LDCs through World Trade Organization (WTO) to avail the duty benefit for 12 more years as most economies have fallen victim to the pandemic's fallout, Ghosh also said.

Ongoing negotiations for signing the FTAs and PTAs with different countries will go on while the country continues to enjoy current preferential trade benefits, he said.

For instance, Bangladesh has been negotiating with Nepal over the last couple of years to strike a PTA over some select goods of both countries, said the commerce secretary.

Despite the efforts over the years, Bangladesh has been able to sign only one PTA with Bhutan in December last year.

Experts and senior government officials said signing of the PTA with Bhutan was just a learning curve for Bangladesh as the bilateral trade was still below \$60 million.

Both Bangladesh and India have been negotiating for signing a comprehensive economic partnership agreement (CEPA) for more bilateral trade, investment and employment.

However, both countries so far only conducted a few studies on the signing of a potential CEPA.

A CEPA is similar to an FTA, but comprehensive including investment and employment.

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Refiners cut sugar prices after govt directive

STAR BUSINESS REPORT

Following a government directive, sugar refiners yesterday lowered the prices of the commodity amid a continuous rise at the retail level.

As per the new rate, the price of loose sugar has been set at Tk 74 per kilogramme (kg) while packaged sugar will cost Tk 75 per kg.

The decision was taken after a meeting between Bangladesh Sugar Refiners Association, the commerce ministry and Tariff Commission, according to a press release.

The prices were readjusted considering the current international prices and product costs, it said.

Biswajit Saha, director for corporate and regulatory affairs at City Group, said they will implement the new rates fixed by the government.

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PHOTO: MOSTAFA SHABUJ

A farmer ploughs his land with cattle for cultivating vegetables in Sariakandi upazila of Bogura recently with the receding of floodwaters. Use of cattle in farm work has drastically come down with increasing mechanisation. Farmers are switching to power tillers and tractors as cattle maintenance turns costly while being more time-consuming when used for tilling the land. The government is currently giving 70 per cent subsidy to farmers in the haor areas and 50 per cent subsidy to the farmers in the rest of the country to buy agriculture machinery.

MICROINSURANCE

Tackle crisis with tiny premiums

MD ABU TALHA SARKER

Microinsurance is not new in Bangladesh, but the general public know very little about it, although it can deliver much-needed cushion to the largely uninsured population in times of crises.

Microinsurance, which is inexpensive and protects people with lower incomes from economic shocks and prevents people from falling below the poverty line in times of crises, operates like a regular insurance scheme.

But it typically targets the segments of the society that are often ignored by mainstream commercial and social insurance schemes.

It deals only with marginalised, low-income and economically vulnerable groups by offering insurance plans tailored to their needs.

The solution provides an opportunity to the people living on \$1 to \$4 a day so that they can protect themselves or their families during any medical emergencies and other types of crises.

Microinsurance may cover various risks.

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Five power plants add 779MW to national grid

STAR BUSINESS REPORT

The government is all set to inaugurate four new power plants and an upgraded one, which will have the capacity to produce 779 megawatts of electricity.

The new plants are: Bibiyana-III 400 MW Combined Cycle Power Plant in Habiganj, Jhulda 100 MW Power Plant Unit-2 in Chattogram, Meghnaghat 104 MW Power Plant in Narayanganj, and Modhumoti 100 MW Power Plant in Bagerhat.

Sylhet 150 MW Power Plant has been upgraded to 225 MW Combined Cycle Power Plant.

All five plants are already connected to the national grid, according to Bangladesh Power Development Board (BPDB).

Prime Minister Sheikh Hasina will inaugurate the plants through videoconferencing from Gono Bhaban in Dhaka on September 12, Saiful Hasan Chowdhury, director for

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STAR/FILE

Bangladesh currently has an electricity generation capacity of 25,235MW, including captive power, said Nasrul Hamid, state minister for power, energy and mineral resources.

GROUP INSURANCE IN INDUSTRIES

Regulator moves to ensure compliance

THINGS TO KNOW

- ▶ Group insurance made mandatory in labour law
- ▶ Coverage applicable for factories with 100+ permanent workers
- ▶ Income tax is waived on the premium and proceeds
- ▶ Most industries have not availed it

SUKANTA HALDER

The Insurance Development and Regulatory Authority (IDRA) has taken up an initiative to make all industries and factories adopt group insurance, made mandatory in the Bangladesh labour law, against the backdrop of recent tragedies in the industrial sector.

In a recent letter, the regulator requested the secretary to the labour ministry to hold a high level stakeholders' meeting to devise implementation strategies.

However, the IDRA has also sent another letter to the financial institutions division recently to pursue the matter with the labour ministry.

One IDRA official said the issue came to light after a recent deadly fire at a factory in Narayanganj that claimed over 50 lives and injured many.

Under a provision of the labour law, owners of factories and industrial units with 100 or more permanent workers must purchase group insurance for them.

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72pc of youths with smartphones use internet: survey

STAR BUSINESS REPORT

Over 72 per cent of youths out of the 86 per cent who have smartphones have access to the internet.

However, only 28 per cent have recently searched for materials related to technical and vocational education and training (TVET), according to a survey by Brac.

The NGO carried out the survey on youth perceptions on skills development training and post-training employment, it said in a press release.

The survey said 65 per cent of the young participants identified Facebook as the most effective digital platform for raising public awareness.

The survey was made public at an event titled "Changing perspectives of youths regarding vocational education in Bangladesh".

KAM Morshed, senior director, Brac, said stigma was associated with skills and vocational training in the society. "We must partner with communities at large and fight together against this," he said.

Tasmiah Tabassum Rahman, current in-charge of Brac Skills Development Programme, said jobs related to technical and vocational education in Bangladesh were still considered blue collar jobs.

This is why it is very important to create awareness and tell the society about the importance of TVET and its prospects, she said.

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Md Anisur Rahman, managing director and CEO of BASIC Bank, inaugurated a classified loan recovery programme at its main corporate branch in the capital's Motijheel. Cheques worth of Tk 100 crore were handed over to him by defaulting clients. Ahmed Hossain, Md Ismail and Md Momenul Hoque, general managers, were present.

BASIC BANK



Postharvest Technology Division (PHTD) of Bangladesh Agricultural Research Institute (Bari) recently organised a daylong consumer perception workshop on "PHTD, BARI Developed Agricultural Products" at the Bari seminar room in Gazipur with the participation of 30 consumers. Md Hafizul Haque Khan, chief scientific officer and head of the PHTD, Md Kamrul Hasan, director of support and services, Muhammad Samsul, director of training and communication, and Mohammad Mainuddin Molla and Md Golam Ferdous Chowdhury, senior scientific officers, were present.

BANGLADESH AGRICULTURAL RESEARCH INSTITUTE



Strengthening the Infrastructure of BAERA to Ensure Nuclear and Radiation Safety of Public and the Environment Related Project
Bangladesh Atomic Energy Regulatory Authority
E-12/A, Agargaon, G.P.O.B ox No.240, Dhaka-1207

Phone No. :88-02-8181012
Fax No.:88-02-9124846
E-mail : info@baera.gov.bd
Website: www.baera.gov.bd

Invitation for Tender
GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH	
1. Ministry/Division	Ministry of Science & Technology
2. Agency	Bangladesh Atomic Energy Regulatory Authority
3. Procuring Entity Name	Project Director, Strengthening the Infrastructure of BAERA to Ensure Nuclear and Radiation Safety of Public and the Environment Related Project
4. Procuring Entity Code	2605
5. Procuring Entity District	Dhaka
6. Invitation for	Supply, Installation, commissioning and Testing of Passenger lift with Standard Accessories and related works at 9(nine) storied Bangladesh Atomic Energy Regulatory Authority (BAERA) Bhaban, E-12/A, Agargaon, Sher-E-Bangla Nagar, Dhaka 1207 under the project "Strengthening the infrastructure of BAERA to Ensure Nuclear and Radiation Safety of Public and the Environment".
7. Invitation Ref No.	39.07.0000.007.06.44.2021
8. Date	06-09-2021

KEY INFORMATION	
9. Procurement Method	Open Tendering Method (OTM)
FUNDING INFORMATION	
10. Budget and Source of Funds	GOB
11. Development Partners	None

PARTICULAR INFORMATION	
12. Project / Programme Code	224236700
13. Project / Programme Name	Strengthening the Infrastructure of BAERA to Ensure Nuclear and Radiation Safety of Public and the Environment Related Project
14. Tender Package No.	GD 09
15. Tender Package Name	Supply, Installation, commissioning and Testing of Passenger lift with Standard Accessories and related works at 9(nine) storied Bangladesh Atomic Energy Regulatory Authority (BAERA) Bhaban, E-12/A, Agargaon, Sher-E-Bangla Nagar, Dhaka 1207 under the project "Strengthening the infrastructure of BAERA to Ensure Nuclear and Radiation Safety of Public and the Environment".
16. Tender Publication Date	10-09-2021
17. Tender Last Selling Date	26-09-2021
18. Tender Closing Date and Time	27-09-2021, 12:00 Noon
19. Tender Opening Date and Time	27-09-2021, 12:30 PM
20. Name & Address of the office(s)	Office of the Project Director, Strengthening the Infrastructure of BAERA to Ensure Nuclear and Radiation Safety of Public and Environment Related Project, Bangladesh Atomic Energy Regulatory Authority, E-12/A, Agargaon, G.P.O.B ox No.240, Dhaka-1207
Selling Tender Document	Senior Accounts Officer Bangladesh Atomic Energy Regulatory Authority, E-12/A, Agargaon, G.P.O.B ox No.240, Dhaka-1207
Receiving Tender Document	Tender should be dropped in the tender box kept at the office of the Project Director, Strengthening the Infrastructure of BAERA to Ensure Nuclear and Radiation Safety of Public and Environment Related Project, Bangladesh Atomic Energy Regulatory Authority, E-12/A, Agargaon, Dhaka-1207
Opening Tender Document	Room No- 401, Bangladesh Atomic Energy Regulatory Authority, E-12/A, Agargaon, G.P.O.B ox No.240, Dhaka-1207
21. Place / Date / Time of Pre-Tender Meeting (Optional)	N/A

INFORMATION FOR TENDERER				
22. Eligibility of Tenderer	<ul style="list-style-type: none"> (i) current year trade license (ii) up-to-date income tax clearing certificate (iii) Eleven digit vat registration certificate (iv) Manufacturers authorization certificate The minimum of years of general experience of the Tenderer in the supply of similar Goods and related services as Supplier shall be 05 (Five) years. Shall have at least 03 (three) fully successfully completion certificate of submitted work order in Government, semi-government and autonomy organization in last 5(five) years each with a value of at least 5 million in BDT. The minimum amount of liquid assets i.e working capital or credit line(s) of the Tenderer shall be Tk-20 million in BDT. Other detail instruction given into the tender schedule. 			
23. How to obtain Tender Document	Tender documents may be hand on cash payment of the amount (non refundable) mentioned on all working days during office hours up to 26/09/2021 on written request to and permission from the undersigned showing original work order with satisfactory completion Certificate of the completed work, original up to date valid Trade License, VAT Registration Certificate with TIN No. and latest Income Tax Clearance Certificate, Bank Solvency Certificate of last financial year. Attested photocopies (by 1 st class Gazetted officer) of the relevant papers must be enclosed with the application on the letter head pad of the firm.			
24. Brief Description of goods	Supply, Installation, commissioning and Testing of Passenger lift with Standard Accessories and related works for "Strengthening the Infrastructure of BAERA to Ensure Nuclear and Radiation Safety of Public and the Environment Related Project"			
25. Price of Tender Document	Tk. 2,000/- (Taka Two thousand) only per set (Non refundable)			
26. Lot No.	Identification of Lot	Location	Tender Security Amount (Tk)	Completion Time in Weeks/Months
1.	GD-09:Supply, Installation, commissioning and Testing of Passenger lift with Standard Accessories and related works of the project "Strengthening of BAERA to Ensure Nuclear and Radiation Safety of Public and the Environment"	Bangladesh Atomic Energy Regulatory Authority, E-12/A, Agargaon, G.P.O.B ox No.240, Dhaka-1207	BDT 1,300000/= (Taka One lac thirty thousand only) In the form of Pay Order/ Bank Guarantee in favor of Strengthening the Infrastructure of BAERA to Ensure Nuclear and Radiation Safety of Public and the Environment Related Project	17(seventeen) weeks from the date of contract signing

PROCURING ENTITY DETAILS			
27. Name of Official Inviting Tender	Rasheed Ahmed Amiree		
28. Designation of Official Inviting Tender	Project Director, Strengthening the Infrastructure of BAERA to Ensure Nuclear and Radiation Safety of Public and the Environment Related Project		
29. Address of Official Inviting Tender	Bangladesh Atomic Energy Regulatory Authority, E-12/A, Agargaon, G.P.O.B ox No.240, Dhaka-1207		
30. Contact details of Official Inviting Tender	Tel. No.	Fax No.	e-mail
	88-02-8181012	88-02-9124846	rdamiree@yahoo.com
31. The procuring entity reserves the right to accept or reject all tenders This tender shall be governed by "The Public Procurement Act 2006 and The Public Procurement Regulations 2008".			

(Signature)
(Rasheed Ahmed Amiree)
Project Director

GD- 1615



Syeda Shaila Ashraf, general manager of HR, Admin and IT at Renaissance Group, inaugurated a joint initiative of Market Innovation International and bKash for garment workers at the Pandora Sweaters Limited premises in Gazipur enabling them to purchase daily necessities at affordable prices from "Sulov Bazaar" through bKash. Amran Al Mamun, senior general manager of operations at Renaissance Group, Ali Ahmmed, chief commercial officer of bKash, and Mehedi Md Murad, managing director of Market Innovation International, were present.

BKASH

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নওগাঁ জেলাধীন রানীনগর উপজেলা স্বাস্থ্য কমপ্লেক্স এবং এর আওতাধীন ইউনিয়ন উপ- স্বাস্থ্য কেন্দ্রের জন্য ২০২১-২০২২ অর্থ বৎসরের ০৬ (ছয়)টি গ্রুপে এম.এস.আর সামগ্রী ক্রয়ের নিমিত্তে শর্তসম্বলিত দরপত্র আহবান করা যাইতেছে। শর্তসমূহ দরপত্র সিডিউল ক্রয়ের সময় পাওয়া যাইবে।

১	বাজেট/বরাদ্দের উৎস	স্বাস্থ্য ও পরিবার কল্যাণ মন্ত্রণালয় ঢাকা এবং স্বাস্থ্য অধিদপ্তর
২	সরবরাহকারীর ধরণ	প্রকৃত ঠিকাদার/ব্যবসায়ী/সরবরাহকারী/প্রস্তুতকারী প্রতিষ্ঠান
৩	দরপত্রের বিবরণ	সিডিউলের মূল্য (অফেরতযোগ্য)
	গ্রুপঃ (ক) ঔষধপত্র (ইউসিএল বহির্ভূত)।	১০০০/-
	গ্রুপঃ (খ) যন্ত্রপাতি।	৭৫০/-
	গ্রুপঃ (গ) লিলেন।	৫০০/-
	গ্রুপঃ (ঘ) গজ, ব্যাভেজ, তুলা।	৫০০/-
	গ্রুপঃ (ঙ) কেমিক্যাল রি-এজেন্ট।	৫০০/-
	গ্রুপঃ (চ) আসবাবপত্র।	৫০০/-
৪	দরপত্র বিজ্ঞপ্তির তারিখঃ	০৭/০৯/২০২১ইং।
৫	সিডিউল বিক্রয়ের শেষ তারিখ ও সময়ঃ	তারিখঃ ২৬/০৯/২০২১ইং পর্যন্ত (সরকারি ছুটির দিন ব্যতিত)। সময় সকাল ৮.০০ ঘটিকা হইতে বৈকাল ২.৩০ ঘটিকা পর্যন্ত।
৬	সিডিউল বিক্রয়ের স্থানঃ	(ক) উপজেলা নির্বাহী অফিসারের কার্যালয়, রানীনগর, নওগাঁ এবং (খ) উপজেলা স্বাস্থ্য ও পঃ পঃ অফিসারের কার্যালয়, রানীনগর, নওগাঁ।
৭	সিডিউল দাখিলের স্থানঃ	(ক) উপজেলা নির্বাহী অফিসারের কার্যালয়, রানীনগর, নওগাঁ এবং (খ) উপজেলা স্বাস্থ্য ও পঃ পঃ অফিসারের কার্যালয়, রানীনগর, নওগাঁ।
৮	সিডিউল দাখিলের তারিখ ও সময়ঃ	তারিখঃ ২৭/০৯/২০২১ইং। সময়ঃ সকাল ১০.০০ ঘটিকা হইতে দুপুর ১২.৩০টা পর্যন্ত।
৯	দরপত্র বাস্তব খোলার তারিখ ও সময়ঃ	তারিখঃ ২৭/০৯/২০২১ইং। সময়ঃ বেলা ১.০০ ঘটিকা।
১০	দরপত্র বাস্তব খোলার স্থানঃ	উপজেলা স্বাস্থ্য ও পঃ পঃ অফিসারের কার্যালয়, রানীনগর, নওগাঁ।
১১	বায়নার টাকার পরিমাণঃ	ক- ঔষধপত্র গ্রুপের জন্য- ৪৫,০০০/- (পঁয়তাল্লিশ হাজার) টাকা, খ- যন্ত্রপাতি গ্রুপের জন্য- ২৫,০০০/- (পঁচিশ হাজার) টাকা, গ- লিলেন গ্রুপের জন্য- ১৫,০০০ (পনের হাজার) টাকা, ঘ- গজ, ব্যাভেজ, তুলা গ্রুপের জন্য- ১৫,০০০ (পনের হাজার) টাকা, ঙ- কেমিক্যাল রি-এজেন্ট গ্রুপের জন্য ৫০০০/- (পাঁচ হাজার) টাকা, এবং চ- আসবাবপত্র গ্রুপের জন্য ৫০০০/- (পাঁচ হাজার) টাকা।
১২	বিশেষ নির্দেশাবলীঃ	১) দরপত্র বিজ্ঞপ্তির শর্তাবলী অনুসরণপূর্বক বর্ণিত কাগজপত্রসহ দরপত্র সিডিউল দাখিল করিতে হইবে। ২) কর্তৃপক্ষ প্রয়োজন বোধে দরপত্র গ্রহণ, খোলার তারিখ ও সময়সহ যে কোন সংশোধনী স্থানীয় নোটিশ বোর্ডে স্বল্পকালীন বিজ্ঞপ্তির মাধ্যমে পরিবর্তন করিতে পারিবেন। ৩) দরপত্র কমিটি কোন কারণ দর্শানো ব্যতিরেকে আংশিক অথবা সম্পূর্ণ দরপত্র গ্রহণ অথবা বাতিল করার ক্ষমতা সংরক্ষণ করেন। ৪) এতদসংক্রান্ত বিস্তারিত তথ্য জানার জন্য আত্রহী ঠিকাদারগণকে অফিস চলাকালীন সময়ে উপজেলা স্বাস্থ্য ও পঃ পঃ অফিসারের কার্যালয়ে যোগাযোগ করার জন্য অনুরোধ করা হইল (সকাল ৮.০০টা বেলা ২.৩০ ঘটিকা পর্যন্ত)।

ডাঃ কে.এইচ.এম ইফতেখারুল আলম খান
উপজেলা স্বাস্থ্য ও পঃ পঃ কর্মকর্তা
রানীনগর, নওগাঁ

জিডি-১৬১৭



WALTON HI-TECH INDUSTRIES

Author Muhammed Zafar Iqbal, Mohammad Kaykobad, distinguished professor of Brac University, SM Shamsul Alam, vice chairman of Walton Hi-Tech Industries, and Golam Murshed, managing director and CEO, inaugurated a newly-built Walton Research and Innovation Centre at Chandra of Gazipur recently.

India approves Airbus-Tata deal for military aircraft

AFP, Mumbai

European aerospace giant Airbus has clinched a landmark \$3 billion deal to make military aircraft for India in partnership with local conglomerate Tata, the defence ministry said Wednesday.

Airbus has been lobbying for nine years for the tender to make 56 military transporters for the Indian Air Force.

As part of the joint-venture agreement, India will import 16 Airbus Defence and Space aircraft made in Spain within two years of the contract being signed.

The remaining 40 Airbus-designed aircraft will then be manufactured locally by Indian conglomerate Tata over 10 years. "This is the first project of its kind in which a military aircraft will be manufactured in India by a private company," the Ministry of Defence said in a statement.

The ministry described the deal as a

"major boost" to the government's "Self-reliant India" campaign.

India's Hindu nationalist government has stepped up efforts in recent years to reduce the country's dependence on imports and to create jobs.

The Airbus deal is expected to create 600 manufacturing jobs and another 6,000 indirect jobs for Asia's third-largest economy. Each C-295MW transporter will also come fitted with Indian made electronic warfare systems.

With India in a decades-old rivalry with Pakistan and tensions increasing with China, New Delhi has spent heavily on modernising its ageing military infrastructure.

The expenditure includes \$9.4 billion on Rafale fighter jets from French firm Dassault. At least 26 have been delivered and 10 more are expected by the end of 2021, authorities say.

Singapore Airlines appoints new GM for Bangladesh

STAR BUSINESS DESK

Singapore Airlines has recently appointed a new general manager for Bangladesh with effect from this month.

The appointee, Timothy Ouyang, succeeds George Robertson who served in the post for two and a half years and will be taking up another position within the airline, said a press release.

Ouyang headed Singapore Airlines' operations in Bali, Indonesia over the past three and a half years.

He joined the airline in November 2011 and held positions in public affairs, revenue management and internal audit at its head office in Singapore.

Take actions against wilful loan defaulters

FROM PAGE B1

Now is the time to survive, not to make a profit."

At the discussion, businesspeople urged banks to simplify the loan process under the stimulus package to recover the losses inflicted by the coronavirus pandemic.

They called for new loans, an extension of the repayment period of loans disbursed under the stimulus packages, and a uniform interest rate.

Jashim Uddin pointed to the lower fund allocation for the cottage, micro, small and medium enterprises (CMSMEs) and a slower implementation of the packages.

India has allocated 36 per cent of the Covid-19 incentives to the CMSME sector, while it is 33 per cent in Thailand and 24 per cent in Malaysia.

Bangladesh has set aside 22 per cent of the stimulus funds to the CMSME sector.

"While the implementation of the incentive packages dedicated to the export and large sectors is satisfactory, the implementation rate in the CMSME sector is only 77 per cent."

"In such a situation, it is crucial to disburse loans to help recover the business of cottage, small and medium entrepreneurs."

Ali Reza Iftekhar said around 80 of the loans under the stimulus packages

had been disbursed. "It would have been better if the disbursement rate were higher."

Jashim Uddin said the Bangladesh Bank asked banks to set up dedicated desks for the SME sector and provide special facilities to women entrepreneurs.

"But, there is an allegation that many banks are not serious about them."

He emphasised making the credit guarantee scheme of the central bank easily accessible to introduce concessional and mortgage-free loan facilities for SMEs.

The FBCCI recommended extending the tenure of term loans for the SME sector to 10 to 15 years, including a two-year moratorium period.

The payback period is a maximum of 24 months now.

Jashim Uddin urged banks to extend credit facilities to SMEs that did not have bank accounts.

Preeti Chakraborty, a director of the FBCCI, said, "We have had a very bad time in the last 18 months. Therefore, it will be better if the repayment period is extended to 10-15 years with a grace period of three years."

Humaira Azam, managing director of Trust Bank, however, said: "You are asking for more time to repay the loan. But is it possible to ask for more time to repay the depositors?"

China's factory inflation hits 13-year high

REUTERS, Beijing

China's factory gate inflation hit a 13-year high in August driven by roaring raw materials prices despite Beijing's attempts to cool them, putting more pressure on manufacturers in the world's second-largest economy.

The producer price index (PPI) rose 9.5 per cent from a year earlier in August, the National Bureau of Statistics (NBS) said on Thursday, faster than the 9.0 per cent increase tipped in a Reuters poll and the 9.0 per cent reported in July.

That was the fastest pace since August 2008.

China's economy has recovered strongly from last year's coronavirus slump but has been losing steam recently due to domestic Covid-19 outbreaks, high raw material prices, tighter property curbs and a campaign to reduce carbon emissions.

Commodity prices have been on a tear in recent months, hurting the bottom lines of many mid- and downstream factories.

China's coal prices soared to a record high on Tuesday over supply concerns as major coal regions started fresh rounds of safety checks.

Earnings at China's industrial firms have slowed for five straight months.

But coal and metals prices will likely drop back as construction activity falls amid restrictions on the

property sector and slowing credit growth, Julian Evans-Pritchard, senior China economist at Capital Economics, wrote in a note.

And the higher comparison base towards the end of last year will also pull down overall inflation. "We doubt producer price inflation will rise much further," he said.

The coal, chemicals and metals industries drove much of the price increases in August, according to

a statement released alongside the data by Dong Lijuan, an NBS official.

Prices in the coal mining and washing sector grew 57.1 per cent in August from a year earlier.

A separate NBS statement showed that the consumer price index (CPI) in August rose 0.8% from a year earlier, compared with a 1.0 per cent gain in a Reuters poll and below the government target of

around 3 per cent this year.

China tightened social restrictions to curb the Covid-19 Delta variant including travel limits, which have hampered service-sector demand, although Beijing has largely contained the latest coronavirus outbreaks.

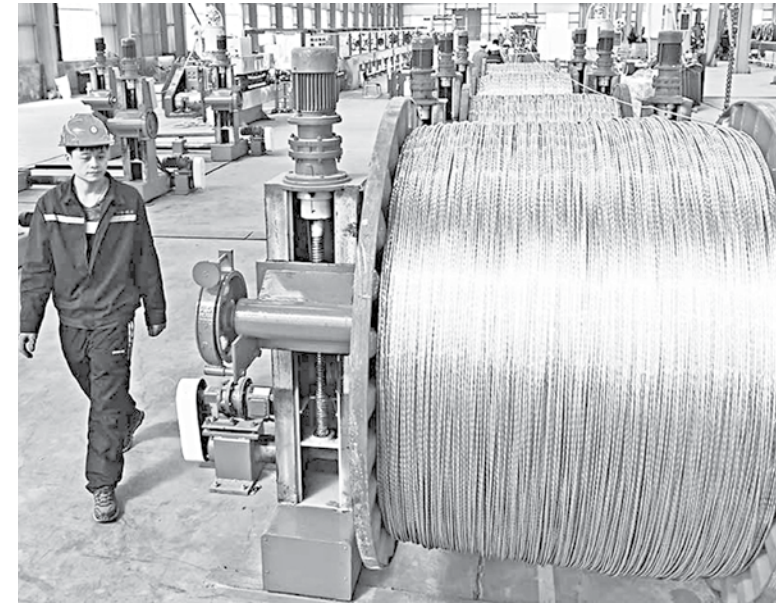
Declines in airfares, travel and hotel room prices due to the pandemic slowed consumer inflation on a monthly basis, according to NBS's Dong. Service-sector activity plunged in August to the lowest level since the pandemic's first wave in April 2020, a recent survey showed, as Covid-19 restrictions threatened to derail the recovery.

Many analysts expect the People's Bank of China to deliver a further cut to the amount of cash banks must hold as reserves later this year to lift growth, on top of July's cut, which released around 1 trillion yuan (\$6.47 trillion) in long-term liquidity into the economy.

"We expect monetary policy to remain prudent with a slightly loosening bias for the rest of the year," said Jing Liu, senior economist for Greater China at HSBC, in a note.

China's consumer price inflation, which is likely to stay muted, will not constrain a slight loosening stance, she added.

The core consumer price index, which strips out volatile food and energy prices, stood at 1.2 per cent on year, versus a 1.3 per cent rise in July.



AFP/FILE

An aluminium processing factory in Zouping, China. China's factory gate inflation hit a 13-year high in August driven by roaring raw materials prices despite Beijing's attempts to cool them.

Refiners cut sugar prices after govt directive

FROM PAGE B1

Abul Hasem, vice president of the Sugar Baboshayee (businessmen) Association, said they were not aware of the new prices. "It is not possible to implement the new prices at the retail level as millers are asking for Tk 74 per kg," he said.

Abdur Razzaque, a wholesaler in Khatunganj of Chattogram, the largest wholesale market in the country, said sugar prices at mill gates in the port city were between Tk 73 and Tk 74 per kg.

According to industry insiders, it is not possible to implement the new rates as prices have been increasing at the international level. Besides, freight charges and production costs have also increased, they said.

In the international market, the price of sugar was between \$510 to 520 per tonne earlier this week while it was \$420 to 430 per tonne two months back.

An official of an importing company said the import cost of sugar is now around Tk 95 per kg. The price of sugar has increased by around Tk 20 per kg, or 30 per cent, since the end of July. The retail price of sugar was between Tk 60 and Tk 65 until the second week of the same month.

Then, the price increased multiple times, ultimately reaching Tk 80 per kg at the beginning of this week. Yesterday, retailers were selling sugar at Tk 80-85 per kg.

However, data from the Trading Corporation of Bangladesh (TCB) shows that sugar was being sold at Tk 78 to Tk 80 per kg at different markets in Dhaka yesterday, which is about 10 per cent more than the price during the same period in July.

As of July 9 this year, the average price of sugar was Tk 69 per kg and even fell to Tk 60-65 the same month before the sudden rise. According to the US Department of Agriculture, Bangladesh imported 2,450 tonnes of sugar in the 2020-21 financial year, when 2,510 tonnes of the sweetener was consumed.

72pc of youths with smartphones use internet: survey

FROM PAGE B1

Though there are government-run training centres in all districts, bringing a change in mindset should be the first task, said NGO Affairs Bureau Director General KM Tariqul Islam. Here the private and voluntary organisations have a role to play, he said.

"Without skills we won't be able to sustain ourselves in the fourth industrial revolution," said National Skills Development Authority Executive Chairman Dulal Krishna Saha. Winnie Estrup Petersen, ambassador of Denmark to Bangladesh, stressed on listening to the young voices and enter into a dialogue with them under an inclusive approach.

"Stakeholders from the public-private sector and partners need to think about how to change the mindsets of young people. This can be done through adequate campaigns and ultimately the youths need to be prepared with the right skills and right mindset for the changing world," she said. Chaired by Asif Saleh, executive director, Brac, the event was also attended by a number of high officials from government and non-governmental agencies.

Regulator moves to ensure compliance

FROM PAGE B1

The letter cited that group insurance for workers has not been introduced in most factories and industrial units.

It noted that recent deaths and injuries suffered by a significant number of workers from fire and other incidents tarnished the country's image globally.

Moreover, the government has to provide financial relief to the workers from the exchequer.

"If group insurance is introduced in factories, both the owner and workers will benefit," the letter said.

Income tax is waived on the premium and proceeds of group insurance in an effort to encourage factory owners to bear the expense, it added.

"Accidents will occur but we don't know when. But who will then take charge of the families of those workers?" said SM Shakil Akhter, executive director and spokesperson of the IDRA.

"Most of the factory owners in Bangladesh are busy with their own interests. But they do not see to the interests of the workers. So we have made it mandatory to introduce group

insurance in industries and factories," he added.

"All those who export goods in the garment industry have group insurance. But very few of the remaining industries and factories have group insurance," said Jafarul Hasan Sharif, a labour rights expert.

It is a very good proposal since insurance is a part of social security, said Sultan Uddin Ahmed, assistant executive director of the Bangladesh Institute of Labour Studies.

The question is whether the insurance will be commercial or non-commercial from the state institution, he asked.

Every employee, not just a few of an organisation, has to be brought under group insurance, he said.

When an accident occurs, the factory owners get away for legal loopholes, something the IDRA must watch out for, said Ahmed, adding that workers have to be provided retirement allowances.

State Minister for Labour Begum Monnujan Sufian did not respond to requests for comment.

The Department of Inspection

for Factories and Establishments (DIFE), under the Ministry of Labour and Employment, is responsible for ensuring welfare, safety and health of human resources working in various sectors.

It has no information on the number of industries and factories which had availed group insurance.

Shamsul Alam Khan, joint inspector general of general section, DIFE, told The Daily Star that they were planning on creating a list of those which availed group insurance and those which had not.

The DIFE said in fiscal 2019-20 it issued 8,455 factory, shop and construction licences while 25,176 renewed their licences.

"I look at the issue in a positive way. Many of the largest factories in the country have group insurance. Not many others," said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry.

"I think those who have the ability, should avail group insurance. But it is not right to impose group insurance on small companies," he said.

Tackle crisis with tiny premiums

FROM PAGE B1

On the basis of risks, its products are designed as life microinsurance (and retirement savings plans), health microinsurance (hospitalisation, primary health care, maternity, etc.), disability microinsurance, property microinsurance (assets, livestock, housing), and crop.

Currently, the insurance system in Bangladesh consists of two state-owned corporations, 43 private general insurance companies, and 17 life insurance companies.

The companies concentrate only on the upper and middle-income groups, leaving an estimated 93 per cent of the population without access to formal insurance services.

Delta Insurance pioneered microinsurance in Bangladesh. Popular Insurance and FarEast Islami Insurance gained popularity by rolling out microinsurance.

Microinsurance is usually five

years. If the policyholder is alive till the maturity of the policy, they will receive insurance money with a bonus.

But if he loses his two main organs completely or is unable to work by accident or death before the maturity of the policy, the next premium will be stopped automatically. The policyholder or their nominee will get 50 per cent of the insurance money immediately and the rest within the next six months.

Md Jalalul Azim, managing director of Pragati Life Insurance, said microinsurance is a DPS (deposit pension scheme)-like product.

It is sold like a conventional insurance policy. Sometimes it could be made on a partnership basis.

For example, an NGO can buy a policy for its members.

"They can deposit every month. There is no muck risk," Azim said.

Pragati Life Insurance's minimum deposit is Tk 5,000, and the maximum

is Tk 25,000 under its microinsurance scheme. One can buy a policy for Tk 50 or Tk 100.

Jiban Bima Corporation started it in 2009-2010, following in the footsteps of others.

It has four microinsurance policies: JBC monthly Savings Scheme, JBC Expected Monthly Savings Scheme, Social Security Insurance, and Promila DPS Scheme.

"We have branch offices at the upazila level where one can open a scheme," said Sheikh Khairuzzaman, assistant general manager of the state-run insurer.

Sazzad Hossain, a policyholder, says microinsurance offers an excellent opportunity for people, regardless of their income level, to protect themselves against risks.

He says it should be compulsory for the people, especially for the private-sector employees with no insurance coverage.

Demand for local green malta on the rise

FROM PAGE B4

Dilip Kumar Adhikary, additional director of the DAE in Sylhet division, said vitamin-rich varieties of native green malta were available in the peak season, which starts in September and ends in February.

"Although demand remains high in the cities, sales at local wholesale markets has fallen as only a few of them are coming lately amid the current Covid-19 crisis," he added.

Malta cultivation in the region is successful due to its geographical advantages.

As such, various plans, including training and motivational initiatives for farmers, have been taken up to increase malta cultivation.

So far, a total of 619 acres of land in the region have been brought under malta cultivation this season, which is double compared to that last year, Adhikary said.

Some 17,800 tonnes of the fruit were grown on 2,525 hectares of land across the country in fiscal 2019-20, around 800 tonnes more from that in the preceding year, according to Kobir Ahmed, deputy director for fruit and flower of the DAE's horticulture wing.

Govt goes all out to sign FTAs

FROM PAGE B1

Signing of an FTA with Indonesia is also underway, said Ghosh.

This is important as it will pave the way for market access to nine other countries of the Association of Southeast Asian Nations.

"Our main target is to ensuring the market access of local goods through the FTA or PTA or CEPA, whatever we can do," Ghosh said.

However, several meetings would be held with stakeholders of different sectors and government offices before a final decision was taken over signing any FTA, PTA or CEPA, the secretary also said.

Experts opined for continuing to enjoy the current duty free benefits to different countries and regions as long as Bangladesh remained an LDC and signing bilateral agreements after their tenures ended.

Five power plants add 779MW to national grid

FROM PAGE B1

public relations at BPDB, told The Daily Star.

"The government is working to provide people with an uninterrupted electricity supply," said Habibur Rahman, power secretary.

Bangladesh currently has an electricity generation capacity of 25,235MW, including captive power, Nasrul Hamid, state minister for power, energy and mineral resources told Bangladesh Sangbad Sangstha, a news agency.

Stocks maintain gaining streak

STAR BUSINESS REPORT

Bangladesh's stock market has maintained an upward trend for eight consecutive days now as the prime index of the country's premier bourse continues to make record advances.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), surged 62 points, or 0.86 per cent, to 7,258 points yesterday.

"People are rushing for the market seeing the index's rise," said a top official of a stock brokerage.

Besides, people are not concerned about potential corrections and big players are taking advantage of this by playing with the general idea.

"People's psychology is they should invest more in the market when indexes soar but this is when big players start to sell," he said, adding that investors remain highly optimistic.

by as much as 15 per cent to 20 per cent, a merchant banker said.

The DSEX soared 435 per cent, or 7.4 per cent, in the last eight days, according to the DSE data.

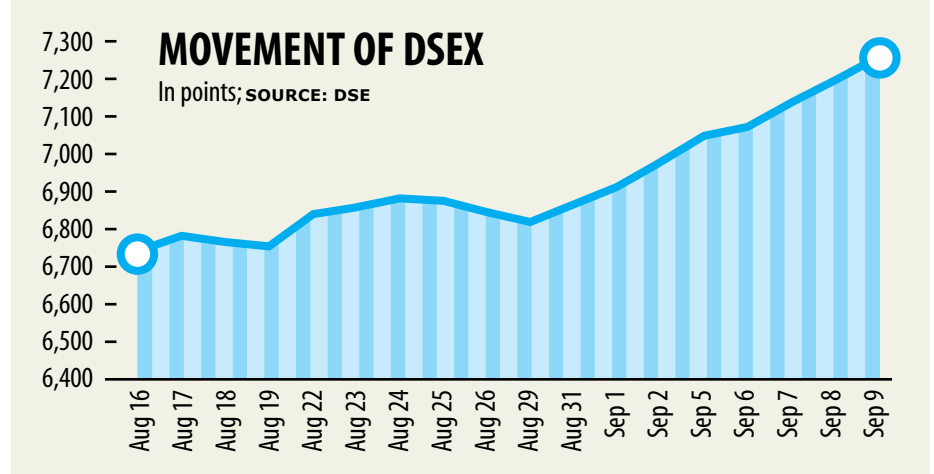
A correction was expected but higher investor participation propped up the market, he added.

Turnover, an important indicator of the market, rose to Tk 2,696 crore while it was Tk 2,555 crore previously.

Meghna Life Insurance Company Ltd topped the gainers' list, rising 10 per cent, followed by

Olympic Industries Limited, National Housing Finance and Investments Limited, Rangpur Foundry Ltd, and Kohinor Chemical Company (Bangladesh) Limited.

Meghna Pet Industries Ltd shed the most, losing 7.52 per cent, followed by Meghna Condensed Milk Industries Ltd, Imam Button Industries Ltd and Samata Leather Complex Ltd.



This optimism is sometimes good for the market but it might be harmful for investors.

"So, they should take their profits," the official said.

At the DSE, 177 stocks advanced, 177 fell and 22 remained unchanged.

On the same day, DS-30, the blue-chip stock index, rose 33 points to 2,647 points.

Although a profit taking tendency was seen among investors in the last few sessions, most stocks have now appreciated

Stocks of Square Pharmaceuticals Ltd were traded the most, worth Tk 81 crore, followed by Beximco Pharmaceuticals Ltd, British American Tobacco Bangladesh and Meghna Life Insurance Company Ltd.

Chittagong Stock Exchange (CSE) also rose yesterday as the CASPI, the general index of the port city bourse, edged up 152 points, or 0.72 per cent, to 21,131.

Among the 332 stocks to undergo trade, 144 rose, 167 fell and 21 remained unchanged.

Demand for local green malta on the rise

MINTU DESHWARA

Locally grown green sweet orange, or malta, enhances immunity and has shown to be quite helpful for treating people with anemia.

The popular fruit also contains a type of fibre called pectin that helps prevent colon cancer. Given its many medicinal properties and delicious taste, the demand for malta has increased exponentially over the years.

During a recent visit to an orchard in Lathitila area of Juri upazila in Sylhet's Moulvibazar district, green malta ripe for the picking were seen hanging from their branches.

"I started cultivating native (green) malta on five bighas of land five years ago and have been doing well ever since," said Tufail Ahmed, a local farmer. Malta farming does not require much effort according to Ahmed, who spent just Tk 200 to plant his first tree.

"Within a year of planting, 250 to 300 pieces of fruit can be obtained from a single tree," he added.

Ahmed went on to say that around one hundred malta tree saplings can be planted on one bigha of land, making it a highly profitable crop.

"Now, I make a profit of about Tk 1.5 lakh each year," he said.

Hazi Jasim Uddin, president of Anaros Lebu Arat Samity in Sreemangal, told this correspondent that green malta was grown abundantly in the area to meet the growing demand for citrus fruits, especially amid the ongoing coronavirus pandemic.

Thanks to the increasing popularity of locally grown malta, imports are almost no longer necessary.

"The domestic product tastes better and has a lower price of about Tk 80 to Tk 120 per kilogramme (kg) compared to around Tk 250 per kg for the imported ones," Uddin said.

Echoing the same, Akhter Hossain, a fruit seller based in



PHOTO: MINTU DESHWARA

A farmer is seen displaying a green malta tree adorned with the highly profitable fruit. Thanks to increased demand and rising local production, native green malta are beginning to eclipse their foreign counterparts. The photo was taken recently in Lathitila area of Juri upazila in Sylhet's Moulvibazar district.

DISTRICTS IN FOCUS

ATM Farhad Chowdhury, upazila nirbahi officer of Kulaura, said he was overjoyed by the farmers cultivating chemical-free Bari-1 malta. He urged for the overall cooperation of the upazila administration for cultivating the high-yielding fruit so that further expansion of gardens in different areas of the region was possible.

Kazi Lutful Bari, deputy director of the DAE in Moulvibazar, said local farmers have woken from their stupor and were now motivated to work hard for the successful cultivation of malta.

READ MORE ON B3

Moulvibazar's Kulaura Fruit Market, said it seems foreign malta would eventually be phased out due to rising domestic production.

Considering malta's growing popularity, cultivation of the fruit has been widely adopted in the Juri and Sreemangal upazilas, local farmers say.

Still though, supply remains

below the current market demand.

The younger generation has also taken a shine to malta farming with the Department of Agricultural Extension (DAE) having trained 270 new farmers in the region, where 18 hectares of land has been brought under cultivation, said Abdul Momin, agriculture officer of Moulvibazar's Kulaura upazila.

GLOBAL BUSINESS

Afghans fear for jobs and money after Taliban takeover

AFP, Kabul

As a nurse at one of Kabul's main hospitals, Latifa Alizada was the breadwinner for her family, providing for her three young boys and unemployed husband. Now -- since the Taliban rolled into Afghanistan's capital -- she too is jobless, and worried about the future.

The 27-year-old left her role at Jamhuriat Hospital because the hardline Islamist group said salaries would not be paid, and imposed rules that would force her to wear a face veil and be segregated from male colleagues.

"I have left my job because there is no salary. There is no salary at all," she said, holding the hands of two of her boys who chewed on sweetcorn cobs. "If I go there, they say 'do not work with this style of dress. Do not work with men. Work with women'. This is impossible," she told AFP at a street market in Kabul.

"For us, there is no difference between men and women, because we are medical workers. Afghans like Alizada worry about what lies ahead under the Taliban. Food prices have gone up at markets, the cost of fuel has risen and there are fewer opportunities to make money.

The United Nations this week warned prices for essential goods were soaring in Afghanistan, adding: "There are fears of food shortages, higher inflation, and a slump in the currency all resulting in an intensification of the humanitarian emergency across the country.

"Many government services are no longer functioning, while the international community -- which has long propped up the aid-dependent economy -- hesitates over funding Afghanistan.

In some sectors that are operating, the Taliban have offered wildly different salaries.

A former customs official, who did not want



AFP/FILE

The United Nations this week warned that prices for essential goods were soaring in Afghanistan.

to be named for security reasons, told AFP he had worked at the Spin Boldak border crossing with Pakistan for more than seven years.

Under the previous government he earned about \$240 per month, but the Taliban said they would pay him just \$110. "It is up to you if you want to continue your job, or quit," the Taliban told him. The official said he resigned after weighing up his salary against the cost of the long commute to work. The sight of big crowds queueing to get into banks to access cash is now

commonplace across Afghanistan.

The country's central bank only has access to a fraction of its usual financing, cut off from the international banking system and access to the country's foreign currency reserves. It means cash is in short supply and the Taliban are enforcing a withdrawal limit of \$200 per person each week.

In the capital on Wednesday about 150 men jostled in the midday sun outside a branch of Kabul Bank, where government employees under the last administration held accounts.

US growth 'downshifted' amid labour, supply shortages

AFP, Washington

US economic growth "downshifted slightly" in July and August amid shortages of workers and materials, as well as concerns about the rise of the highly transmissible Delta variant of the virus that causes Covid-19, the Federal Reserve said Wednesday.

And while those shortages also caused rising wages and prices in some areas, the report of a slower recovery could add weight to the argument that the central bank should hold off on plans to withdraw stimulus to the world's largest economy.

The nationwide surge in coronavirus infections has led to the reimposition of some restrictions and mask-wearing rules, and delayed the return to the office for some businesses.

In its "beige book" report on the economy, the Fed said the recent growth slowdown was largely due to "a pullback in dining out, travel and tourism in most districts, reflecting safety concerns due to the rise of the Delta variant.

"But activity declined in some areas of the country due to labor issues and 'pervasive resource shortages' that also were driving up prices, the report said.

With inflation picking up and progress made on restoring jobs lost during the pandemic, Federal Reserve Chair Jerome Powell has signaled the central bank expects to begin to pull back on its massive bond-buying program by the end of the year.

However, he acknowledged that the

Delta variant has introduced uncertainty about the course of the recovery.

In a speech Wednesday, the president of the Fed's New York branch, John Williams, cautioned that "a full recovery from the pandemic will take quite some time to complete.

"He also echoed Powell's position that the recent spike in inflation is mostly due to temporary issues and the rate should drop back to around two percent next year from double that currently.

However, "there is still a great deal of uncertainty about the inflation outlook," Williams said. A sustained rise in inflation is a concern for the White House, which on Wednesday announced an initiative to contain rising meat prices.

Linking consolidation in the meat industry to food price increases that have contributed to overall inflation, the White House said it would invest \$1.4 billion into the food supply chain aimed at small businesses, as well as crack down on price fixing and antitrust violations in meat processing. The Fed report noted that sales of autos and homes in the United States were depressed by low inventory, while retail sales growth slowed, but construction rose modestly.

The analysis, prepared in advance of the Fed's next policy meeting on September 21-22, said contacts in most districts "remained optimistic about near-term prospects, though there continued to be widespread concern about ongoing supply disruptions and resource shortages.



A woman adjusts her face mask while shopping at a clothing store in Los Angeles, California in July.

AFP/FILE

Ford to stop manufacturing cars in India

REUTERS, New Delhi

Ford Motor Company will stop manufacturing cars in India and shut down its plants in the country, two sources told Reuters, becoming the latest automaker to quit a market still dominated by Asian rivals.

The US automaker made the decision because it was not profitable for it to continue, said one of the sources, adding that the process is expected to take about a year to complete.

Ford is the latest vehicle maker to cease production in India, following US companies such as General Motors and Harley Davidson, which have already left a market that had

once promised exponential growth.

Ford has struggled to win over India's frugal buyers and turn a profit in a market dominated by mainly low-cost cars made by Suzuki Motor Corp and Hyundai Motor.

The US automaker will continue to sell some of its cars in India through imports of fully-built vehicles and knocked-down units, said the second person, adding that it would also provide support to dealers to service existing customers.

Ford did not immediately respond to an email seeking comment. It has previously said it would decide on a capital allocation plan for India in the second half of 2021.

Ford will allocate capital consistent with

its plan to generate consistently strong cash flow and achieve an 8 per cent company adjusted EBIT (earnings before interest and tax) margin, the company has previously told Reuters.

The decision to cease local production came after Ford ended its partnership with domestic carmaker Mahindra & Mahindra - a move that would have ended most of Ford's independent operations in India but allowed it to launch new vehicles faster, at a reduced cost and with lower investment.

Ford entered India 25 years ago but has a less than 2 per cent share of the passenger vehicles market in the world's second-most populous nation.