



Investment scenario

- Tk **5,970cr** invested in **26** new spinning mills
- Total investment in spinning **\$11b**
- Investment in primary textile so far **\$15b**
- Total investment in primary textile to reach **\$20b** by **2025**
- Man-made fibre getting more investment



Spinning sector: by the numbers



26 new spinning mills set up in 2021



Total spinning mills in Bangladesh 500



Annual yarn production 1.8m tonnes



Spinners meet 90% demand for knitwear sector



Capacity 15m spindles



2.5m spindles to be added in 2 years

INVESTMENT GALORE in spinning despite Covid

REFAYET ULLAH MIRDHA

The spinning sector in Bangladesh witnessed a major jump in investment last year as entrepreneurs set up 26 new mills to meet rising demand despite uncertainty in the global apparel supply chain owing to the pandemic.

Entrepreneurs invested Tk 5,970 crore in the new manufacturing plants, adding more than 745,400 new spindles to their combined capacity, according to data from the Bangladesh Textile Mills Association (BTMA).

Mondol Group, one of the leading garment exporters, has invested Tk 450 crore to establish a spinning mill at Mirzapur in Tangail.

The plant went into production on December 15 and is producing 50 tonnes of cotton yarn per day. The raw material is used in manufacturing garments items for international buyers.

The company now plans to expand the production capacity to 75 tonnes with an investment of another Tk 300 crore this year. It has installed

77,000 spindles through the first investment and another 40,000 spindles will be added this year.

"I have a lot of demand for garments from international clothing retailers and brands. So, I invested in the spinning sector so that I need not to rely on others or on imports for fabrics," said Abdul Momin

artificial fibre yarn. The demand for man-made fibre garment items is rising worldwide, he added.

Israaq Textiles Ltd, a Shreepur based spinning mill, invested \$20 million to set up a factory to produce 50 tonnes of yarn a day. Currently, it produces 120 tonnes of cotton yarn.

the spinning sector as apparel shipment from Bangladesh is growing.

Garment shipment rose 28.02 per cent year-on-year to \$19.9 billion between July and December. Of the sum, \$11.16 billion came from knitwear sales, which was up 30.91 per cent, and \$8.73 billion from woven items, an increase of 24.50 per cent.

"The upward trend of the garment export will continue up to June this year as we have received plenty of orders," said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association.

The volume has risen by 15 per cent in the last few months. So, the investment is increasing in the primary textile sector to meet the growing demand from garment exporters, he said.

In Bangladesh, there are 500 spinning mills.

"Majority of the existing mills are expanding their capacity almost every month because of higher demand from local garment manufacturers and exporters," said Monsoor Ahmed, chief executive officer

of the BTMA.

Moreover, manufacturers prefer locally made yarn to reduce long lead-time as they find it difficult to supply garment items on time when they are manufactured from imported yarn and fabrics, said Ahmed.

Mahin Group, one of the leading woven fabrics makers, is constructing a spinning mill at a cost of Tk 500 crore.

The plant, located at Narsingdi, will have 55,000 spindles and will produce 35 tonnes of yarn for woven fabrics.

It is expected to go into production by the end of 2023 and will meet its own demand.

Currently, the group consumes 50 tonnes of yarn a day to produce woven fabrics but it has to buy yarn as it has no spinning mill.

"Even if I produce 35 tonnes of yarn in my spinning mills, I will have to procure 15 tonnes of yarn from other mills if I consume at the current pace," said Abdullah Al Mahmud Mahin, chairman and managing director of the group.



Mondol, managing director of Mondol Group.

The new factory may sell 30 per cent of the yarn to others.

Eighty per cent of the yarn produced at the mill is purely cotton yarn, while the remaining 20 per cent is of mixed yarn from cotton and

"The additional investment and production will not create any surplus yarn in the local market as demand is rising and new garment ventures are coming up every year," said Fazlul Haque, managing director of Israaq Textiles.

He sees a lot of potential for

Mirsarai economic zone's cost up 74pc To take another 2 years to complete

MD ASADUZ ZAMAN

The estimated expenditure for the under-construction Mirsarai economic zone has spiralled by about 74 per cent due to changes for further development works and increase in the number of industrial plots.

Moreover, it will take another two years, meaning until June 2023, to complete the project, which was first approved in September 2018 and due to be complete by June 2021.

The Executive Committee of the National Economic Council yesterday approved the project's first revision, increasing the cost to Tk 1,303 crore from Tk 750 crore.

That means, around Tk 552 crore of additional taxpayers' money will have to be pumped into the project.

According to Planning Commission documents, one of the major reasons for the implementation time period and cost hikes is the increase in the number of industrial plots from 250 to 539, increasing the cost of land development and construction works.

Each plot is of 3,600 square feet.

The changes are to 61 components, with some 34 increasing costs and 27 enabling reductions.

Cumulatively, they increase the project cost by Tk 369 crore.

Other developments are purchase of fire station equipment, construction of factory buildings, footpaths and three residential buildings and repairs of vehicles, increasing costs by Tk 182 crore.

This is yet another example of improper projections of

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The census that was supposed to be held in January last year will provide complete data on the overall population, its composition, workforce, density, housing and other socioeconomic indicators vital for formulating policies.

Dhaka airport gets 2 scanners Dedicated for perishable goods

RASHIDUL HASAN

Two new state-of-the-art dual view X-ray machines have been installed at the export cargo village of Hazrat Shahjalal International Airport to exclusively screen perishable items, finally materialising a long time demand of exporters.

Such items used to be screened with regular cargo with six machines.

Exporters have long been demanding separate machines, alleging that they were missing flights due to examination delays.

They claimed that when several flights were due to depart in quick successions, it was inevitable for at least a couple of tonnes to be left behind for the delays.

Perishable goods such as vegetables, fish, crabs, flowers and fruits are exported to countries, including the UK, Canada, Saudi Arabia, Oman, Kuwait, Dubai, Singapore, Malaysia, Thailand, Qatar and ones in Europe.

Some 2,106.4 tonnes were sent off from the airport in October last year whereas 1,729 tonnes in November, said the airport's executive director, Group Captain AHM Touhid-ul Ahsan.

He inaugurated the installation of the two US-manufactured machines on Monday night.

The country earned Tk 1,200 crore in 2019 exporting perishable items, according to sources at the airport.

"With this activity, it will be possible to export over one and a half times more...perishable goods," he said in a message.

He also said the two machines would give priority to the growing demand for Bangladesh's products abroad and would also increase the interest of local farmers in export-oriented farming.

Asked, Mohammed Mansur, general secretary of the Bangladesh Fruits, Vegetables & Allied Products Exporters' Association, said more dedicated X-ray machines were required for screening perishable items.

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STOCKS	
DSEX ▲	CSCX ▼
0.15%	Flat
6,892.99	12,104.25

COMMODITIES	
Gold ▼	Oil ▲
\$1,803.13	\$76.85
	(per barrel)

CURRENCIES				
	₹ USD	€ EUR	£ GBP	¥ JPY
BUY TK	84.85	94.84	113.43	0.72
SELL TK	85.85	98.64	117.23	0.75

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 1.14%	▲ 1.77%	▲ 1.05%	▼ 0.20%
59,855.93	29,301.79	3,181.13	3,632.33

Shadow forces behind

Mannan says on delay in buying tabs for census

STAR BUSINESS REPORT

Many "shadow forces" are working from behind the scenes delaying the purchase of tablets that would be used in conducting the country's population census, said Planning Minister MA Mannan.

The minister, however, said that he would try his best to complete the process fairly and properly even though it requires more time.

He said while responding to a query at a press briefing after the meeting of the Executive Committee of the National Economic Council (Ecnc) yesterday.

"We have the rules and regulations to tackle the forces. The focal point of these rules and regulations is the government's

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