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Pran-RFL
going for
Tk 1,700cr
expansion

STAR BUSINESS REPORT

Pran-RFL Group, one of the country's leading industrial houses, plans to invest Tk 1,700 crore to expand its footprint in consumer goods, poultry, and mobile assembling, the group said yesterday.

"Bangladesh has a large consumer product market, with the majority of products being edible oil, flour, lentil, salt, and so on," said Kamruzzaman Kamal, director (marketing) of Pran-RFL Group.

"We plan to manufacture a wide range of sugar-free consumer goods and will build a factory in Gazipur to do so," he said at a briefing with journalists at a hotel in Cox's Bazar.

"Besides we are investing in some other sectors including footwear, glassware and poultry industry," he said, adding that the expansion would create about 20,000 new jobs.

The group said it was establishing an agro processing park at Muktarpur in Gazipur to establish a seed crushing mill to extract edible oil.

The 180-bigha area will also have flour, salt and pulse and feed mills, all set up with an investment of Tk 1,500 crore. Production could begin at the end of the year, it said.

Operating in diversified areas ranging from agro-processing, dairy, plastics, electrics to furniture, Pran-RFL has 23 factories and employs nearly 129,000 people to market its products locally and globally.

The group exported nearly \$420 million-worth products in fiscal year 2020-21, it said.

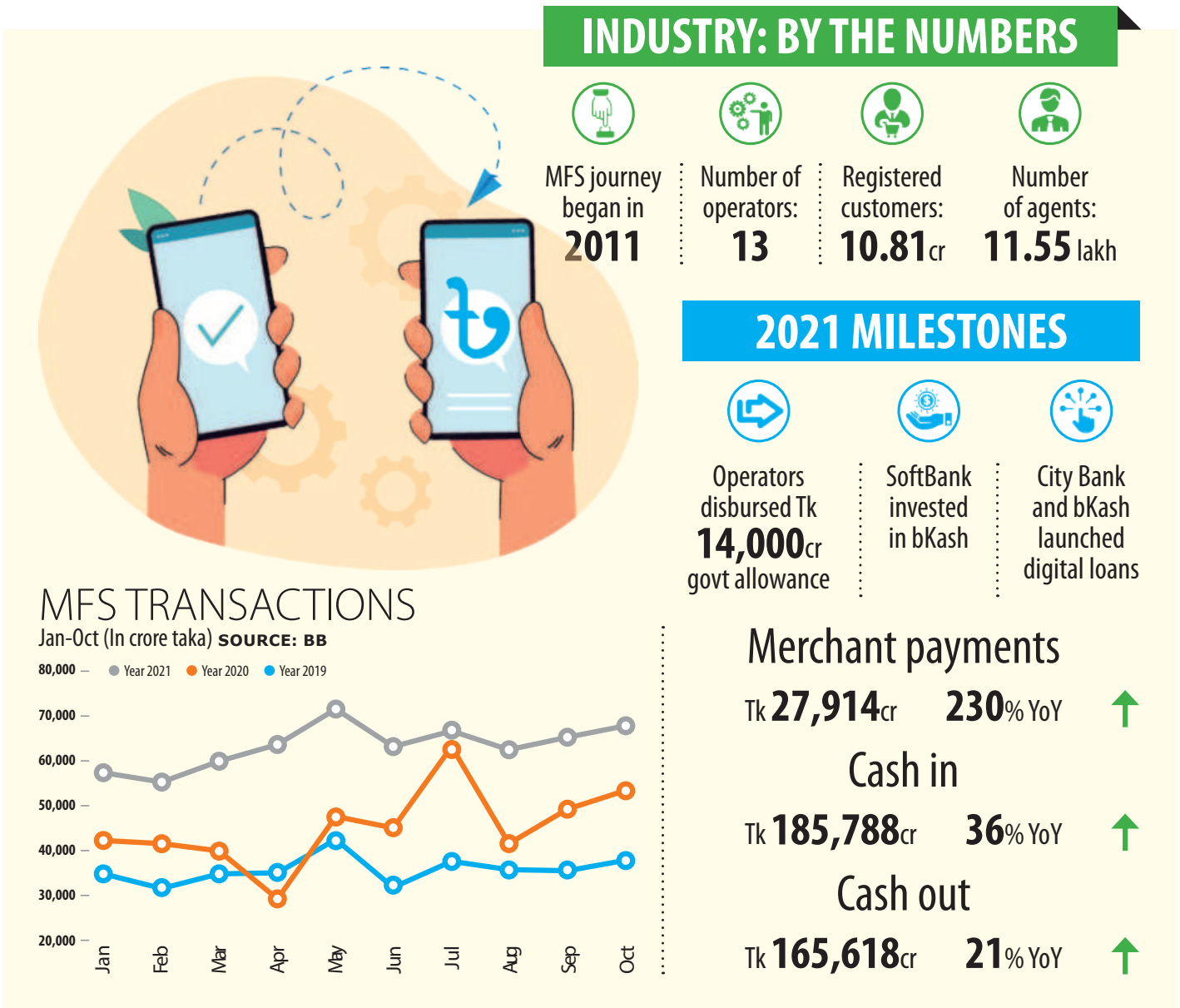
The group has been on an expansion drive in recent years.

Pran said it was establishing another plant to make smart and feature phones along with mobile accessories, including headphone, battery and charger.

The unit will be established in Narsingdi with an investment of Tk 10 crore. The group plans to launch the handsets from March this year.

The group also plans to open a garment factory

READ MORE ON B3



Mobile money booms, empowers unbanked

MAHMUDUL HASAN

Mobile financial services, seen as a means of poverty alleviation and financial inclusion, fared well in 2021 in Bangladesh thanks to adaptation of the people to digital transactions amid the coronavirus pandemic, the government's gradual switch to digital system to disburse social safety net funds and inflow of foreign investment.

Merchant payments, which include payments to retail shops and e-commerce by customers, surged to Tk 27,914 crore in the first 10 months of 2021, up by a massive 230 per cent compared to the same period a year ago.

It's a testament to the acceleration of digital transactions during the pandemic as mobile financial service (MFS) providers emerged as saviours in the fight against the deadly contagious virus.

Overall transactions through MFS providers shot up to Tk

631,013 crore in the January to October period, up 40 per cent year-on-year, data from the Bangladesh Bank showed.

Cash-in rose 36 per cent and cash-out went up 21 per cent.

Last year saw the disbursement of the funds under the social safety net programmes through the major operators.



The government disbursed old-age allowance, widow allowance, student stipends, allowances for the people with special needs, the underprivileged, and the students with special needs, farmers' allowance and in other

areas.

MFS providers distributed about Tk 14,000 crore in 2021 on behalf of the government, and a majority of which by Nagad, the MFS wing of the postal division.

Safety net disbursement through MFS providers was first initiated in May 2020 during the initial wave of

the pandemic. Primarily, the government wanted to provide cash assistance to 50 lakh poor families hit by the pandemic.

But, only 36 lakh beneficiaries received the money after MFS operators pointed out duplication in the

list of the beneficiaries, thus identifying leakage.

This encouraged the government to involve MFS operators widely in different types of disbursements as it witnessed better transparency.

Subsequently, the government increased the disbursement last year, and it will shoot up further in 2022.

"The government's allowance disbursements through MFS providers have several advantages such as transparency, elimination of intermediaries, and significant reduction in delivery time and cost," said Abul Kashem Md Shirin, CEO of Dutch-Bangla Bank, which owns Rocket that pioneered MFS in Bangladesh.

Rocket added 47 lakh customers last year, taking its tally to 2.66 crore, up from 2.19 crore in 2020.

Launched in the first quarter of 2011, its average daily transaction in 2020 was Tk 480 crore, up 45 per cent from the previous year.

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Non-food
inflation: a
runaway train

REJAUL KARIM BYRON and MAHMUDUL HASAN

Non-food inflation has been unbridled since the government hiked diesel and kerosene prices two months ago, touching 7 per cent in December, a six-year high, pounding consumers.

The higher inflation is particularly painful for a majority of households in Bangladesh as the cost of living has gone up owing to the sharp rises in the non-food inflation as well as an elevated level of food inflation.

Owing to a 13-basis points month-on-month surge in December and 39 basis points in November, the non-food inflation reached almost the levels of December 2015, when it was 7.05 per cent, data from the Bangladesh Bureau of Statistics showed yesterday.

It was 6.48 per cent in October last year, meaning it went up by 52 basis points since the government raised the price of diesel and kerosene by 23 per cent, the biggest jump in a decade, in the first week of November.

The move prompted the public transport operators to call a countrywide strike, forcing the government to increase the bus fare by as much as 28 per cent and launch fares by up to 43 per cent in order to appease the operators.

As a result, it sent the general inflation above 6 per cent as the Consumer Prices Index (CPI) rose to a 14-month high of 6.05 per cent in December from November's 5.98 per cent. General inflation was 5.7 per cent in October.

Food inflation is also at a higher level for the elevated commodity prices, fueled by supply constraints, pent-up demand and unprecedented shipping costs.

It was up three basis points at 5.46 per cent in December, the highest in six months, after increasing 21 basis points in November.

Supply chains have been gummed up by robust demand as economies emerge from the Covid-19 pandemic, thanks to more than \$10 trillion in global economic stimulus. The coronavirus pandemic has caused a global shortage of

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STOCKS	
DSEX ▲	CSCX ▲
0.83% 6,987.45	0.84% 12,310.45

COMMODITIES	
Gold ▼	Oil ▲
\$1,788.74	\$79.26 (per barrel)

CURRENCIES				
	\$ USD	€ EUR	£ GBP	¥ JPY
BUY TK	85.05	95.13	114.19	0.72
SELL TK	86.05	98.93	117.99	0.75

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 1.03% 59,601.84	▼ 2.88% 28,487.87	▲ 0.66% 3,184.30	▼ 0.25% 3,586.08

INDONESIA'S COAL
EXPORT BAN

Bangladesh sees
no imminent
setback

JAGARAN CHAKMA

Bangladesh is unlikely to face any immediate effect for the coal export ban by Indonesia, the world's biggest thermal coal exporter.

This is due to the major sectors, namely power plants and brick fields, having stocks that will last two to three months, said insiders.

Indonesia's ban in January was for concerns that low supplies at domestic power plants could lead to widespread blackouts, which, Reuters says, unnerved global markets for the fuel and triggered energy security concerns in some major economies.

"We are yet to see any impact," said Falah Uddin Ali Ahmed, a major coal importer, citing that prices remained unchanged at local markets at Tk 16,000-Tk 17,000 per tonne.

He said Bangladesh imports nearly 35 lakh tonnes of coal from Indonesia every year, which was 43 per cent of the total requirement of about 80 lakh tonnes.

Most of the coal is used in brick kilns as burning of firewood for the purpose of baking bricks has been banned.

The rest goes to garment makers and the power sector, he said.

Ali said as much as 40 per cent of brick fields were not operational this year.

READ MORE ON B3



Workers unload coal for use in firing brick kilns. Imported from Indonesia, the coal is transported via waterways from Mongla and Chattogram ports. Bangladesh imports nearly 35 lakh tonnes of coal from Indonesia every year, which is 43 per cent of the total requirement of about 80 lakh tonnes. The photo was taken from Rupatoli area in Barishal city on Tuesday.

PHOTO: TITU DAS

BB tightens
rules for
selling digital
services

STAR BUSINESS REPORT

The Bangladesh Bank yesterday said nobody would be allowed to sell foreign digital services if they are brought in from abroad for personal use.

The digital items or services include e-book, music, research and data, software programme and so on.

The e-commerce platforms are selling several digital items to the local people against payments in local currency, according to a central bank notice.

But such types of sales breach the provisions of the Foreign Exchange Regulation Act, 1947 if the merchants do not purchase those from external sources without settling payment through banking channels, it said.

The merchants have to pay outward remittances to purchase the products as well in line with the foreign

READ MORE ON B3

World food prices hit 10-year high in 2021

REUTERS, Paris

World food prices jumped 28 per cent in 2021 to their highest level in a decade and hopes for a return to more stable market conditions this year are slim, the UN's food agency said on Thursday.

The Food and Agriculture Organization's (FAO) food price index, which tracks the most globally traded food commodities, averaged 125.7 points in 2021, the highest since 131.9 in 2011.

The monthly index eased slightly in December but had climbed for the previous four months in a row, reflecting harvest setbacks and strong demand over the past year.

Higher food prices have contributed to a broader surge in inflation as economies recover from the coronavirus crisis and the FAO has warned that the higher costs are putting poorer populations at risk in countries reliant on imports. In its latest update, the food agency was cautious about whether price pressures might abate this year.

"While normally high prices are expected to give way to increased production, the high cost of inputs, ongoing global pandemic and ever more uncertain climatic conditions leave little room for optimism about a return to more stable market conditions even in 2022," FAO senior economist Abdolreza Abbassian said in a statement.

A surge in the price of fertilisers, linked in turn to spiralling energy prices, has ramped up the cost of so-called inputs used by farmers to produce crops, raising doubts over yield prospects for next year's harvests.

In December, prices for all categories in the food price index bar dairy products fell, with vegetable oils and sugar falling significantly, the agency said in its monthly update.



People shop for food items at a Waitrose supermarket in London on December 29, 2021. Higher food prices have contributed to a broader surge in inflation as economies recover from the coronavirus crisis.

PHOTO: AFP

US private payrolls surge

REUTERS, Washington

US private payrolls increased more than expected in December, pointing to underlying labor market strength, but sky-rocketing Covid-19 infections could slow momentum in the months ahead.

Private payrolls surged by 807,000 jobs last month, the ADP National Employment Report showed on Wednesday.

Data for November was revised lower to show 505,000 jobs added instead of the initially reported 534,000. Economists polled by Reuters had forecast private payrolls would increase by 400,000 jobs.

The survey was conducted in mid-December just as Covid-19 cases, driven by the Omicron variant, were rising sharply across the country. Economists expect some disruption from the winter wave of infections, though not on the scale of last summer.

The United States reported nearly 1 million new coronavirus infections on Monday, the highest daily tally of any country in the world.

ADP's chief economist, Nela Richardson, told reporters Omicron's impact could be reflected in the January data. "The labor market continues to recover," said Gus Faucher, chief economist at PNC Financial in Pittsburgh,

Worker shortages are constraining the labour market's recovery. The government reported on Tuesday that there were 10.6 million job openings at the end of November

Pennsylvania. "However, the Omicron variant is a substantial downside risk to the near-term labor market recovery."

Still, demand for labor is strong amid an acute shortage of workers. The broad increase in private hiring last month was led by a rise of 246,000 in the leisure and hospitality industry. Professional and

business services added 130,000 jobs.

Manufacturing hired 74,000 more workers and construction payrolls increased by 62,000 jobs.

The ADP report is jointly developed with Moody's Analytics and was published ahead of the Labor Department's more comprehensive and closely watched employment report for December on Friday.

It has, however, a poor record predicting the private payrolls count in the department's Bureau of Labor Statistics employment report because of methodology differences.

Still, it was another sign that job growth probably accelerated in December. The government surveyed businesses and households for last month's employment report in mid-December.

"It is unclear exactly why job growth would have firmed so much in December," said Daniel Silver, an economist at JPMorgan in New York.

"But the ADP report is at least broadly supportive of our view that the labor market is

continuing to tighten despite the recent Covid spread and some signs that consumer activity has weakened lately."

First-time applications for unemployment benefits declined significantly between mid-November and mid-December. The Institute for Supply Management's measure of factory employment rose to an eight-month high in December, with manufacturers noting an improvement in labor supply.

According to a Reuters survey of economists, private payrolls likely increased by 365,000 jobs in December. Overall nonfarm payrolls are forecast to rise by 400,000 jobs. The economy created 210,000 jobs in November.

But worker shortages are constraining the labor market's recovery. The government reported on Tuesday that there were 10.6 million job openings at the end of November.

There were signs in November that unemployed Americans were starting to slowly return to the workforce, but the surging coronavirus infections could force some to stay home.

Padma Bank can clean balance sheet on 2 conditions

STAR BUSINESS REPORT

Bangladesh Bank has allowed Padma Bank, albeit under two conditions, to list its accumulated loss as "intangible loss" so that it does not show up in its balance sheet, thereby enabling it to attract foreign direct investment (FDI).

Intangible losses are adverse consequences to property that are not economic in nature, including property related to social, cultural, unique, or resource-based values, including the loss of irreplaceable and unique historic and cultural features.

The accumulated loss of the erstwhile Farmers Bank now stands at around Tk 805 crore.

However, it has to be gradually adjusted from its net profit in the next 10 years, which includes a one year grace period, said a BB official.

Moreover, the bank has to bring in the FDI of \$700 million for which it is being allowed to showcase a clean balance sheet.

The central bank granted the permission on January 4 following the bank's request.

Padma Bank signed a memorandum of understanding with DelMorgan & Co, a US-based investment bank, in September last year to manage FDI from different interested companies.

Samir Asaf, managing director of DelMorgan, met with BB Governor Fazle Kabir yesterday to discuss the issue. The investment bank has proposed to bring in foreign investment of \$700 million for Padma Bank.

The private lender will have to show its balance sheet as transparent in order to attract the FDI.

Padma Bank's capital shortfall stood at Tk 540 crore as of September 2021.

Default loans surged to Tk 3,586 crore, which is 62.4 per cent of its outstanding loans.

Around three years ago, the government rescued the lender from collapse in the wake of massive financial irregularities.

Five state-run financial institutions, namely the Investment Corporation of Bangladesh, Sonali Bank, Janata Bank, Agrani Bank and Rupali Bank, injected Tk 715 crore into the bank to acquire 60 per cent of its stakes. Established in 2013 as Farmers Bank, the lender had fallen prey to scammers. A Bangladesh Bank investigation found that more than Tk 3,500 crore was siphoned off between 2013 and 2017.

Google, Facebook fined for 'cookies'

AFP, Paris

French regulators have hit Google and Facebook with 210 million euros (\$237 million) in fines over their use of "cookies", the data used to track users online, authorities said Thursday.

US tech giants have come under growing pressure over their businesses practices across Europe, where they have faced massive fines and plans to impose far-reaching EU rules on how they operate.



Md Tofazzel Hossain Miah

Shoaeb Ahmed

9th BCS Forum re-elects president, secy

STAR BUSINESS REPORT

Md Tofazzel Hossain Miah, senior secretary at Prime Minister's Office, and Shoaeb Ahmed, former member of the National Board of Revenue, have been re-elected as president and secretary of the ninth BCS Forum respectively.

With them, a 31-member executive council of the forum has been elected for the year 2022-23, said a press release.

The election was held at Zam Zam Convention Hall in Mirpur on January 1. The annual general meeting of the forum also held there.

Turning a hobby into a successful business

FROM PAGE B4

these statues have gained a strong reputation in the field of practical art. They also see a business opportunity here as well.

Md Shamim Reza, an assistant professor of the fine arts department of Jahangirnagar University,

said, "When aesthetics and functionally side come into the art, we call it crafts or industrial art."

Though they compromise with the grade of art, it has a good commercial market."

"That market is expanding day by day."

Japan's service sector activity growth eases

REUTERS, Tokyo

Japan's services sector activity expanded at a slower pace in December as growth in new and outstanding business softened and expectations for the 12 months ahead eased to a four-month low.

The world's third-largest economy is expected to rebound in the final quarter of last year after Covid-19 cases fell, as it seeks to catch up with other advanced nations in its recovery from the pandemic's hit.

The final au Jibun Bank Japan Services Purchasing Managers' Index (PMI) dropped to a seasonally adjusted 52.1 from the prior month's 53.0, which was the highest reading since August 2019.

The figure compared to a 51.1 flash reading.

"Japanese service sector businesses signalled a sustained expansion in business conditions at the end of 2021," said Usamah Bhatti, economist at IHS Markit, which compiles the survey.

"The easing of Covid-19 restrictions allowed customer-facing businesses to operate more freely throughout the final quarter of the year."

But firms reported raw material and labour shortages, with employment levels dipping to a 15-month low, while business optimism rose at its weakest pace.

UK car sector stalls on Covid, semiconductor shortage

AFP, London

Britain's car manufacturing stalled last year on pandemic fallout including a semiconductor shortage, despite record demand for greener electric vehicles, industry data showed Thursday.

The nation's mainly foreign-owned automakers produced 1.65 million vehicles in 2021, the Society of Motor Manufacturers & Traders (SMMT) said in a statement.

That was up just one percent from 2020 -- but almost 29 per cent lower than the market's pre-pandemic level in 2019.

"It's been another desperately disappointing year for the car industry as Covid continues to cast a pall over any recovery," SMMT chief executive Mike Hawes said in the statement.

The SMMT has predicted a recovery to 1.96 million cars for this year, but the forecast predates the arrival of the Omicron coronavirus variant in late November.

The pandemic erupted in early 2020 and has ravaged demand for new vehicles, while the market has also been impacted by a supply-chain crunch.

Global car output has been held back by a worldwide shortage in computer chips, which are vital components in all types of vehicle.

The UK car industry is also grappling with trade fallout from Britain's exit from the European Union at the start of 2021.

"Manufacturers continue to battle myriad challenges, with tougher trading arrangements, accelerating technology shifts and, above all, the global semiconductor shortage which is decimating supply," added Hawes.

In more upbeat news, the SMMT revealed record-breaking demand for electric cars last year, as UK consumers sought more environmentally-friendly transport ahead of a ban on high-polluting vehicles.

"The undeniable bright spot is the growth in electric car uptake," noted Hawes.

"A record-breaking year for the cleanest, greenest vehicles is testament to the investment made by the industry over the past decade and the inherent attractiveness of the technology."



Akhlaur Rahman Bhuiyan, deputy managing director of Trust Bank, and Md Mahfuzur Rahman, chief financial officer, received a Silver award in private commercial bank category from Commerce Minister Tipu Munshi at ICMAB Best Corporate Award-2020 in Le Méridien Dhaka recently.

PHOTO: TRUST BANK



Abdul Haque, chief executive officer of Eastland Insurance Company, cuts a ribbon to inaugurate the company's 28th branch at Dhaka Export Processing Zone in Savar recently. Md Shafiu Alam Bhuiyan and M Golam Hafez, additional managing directors, MA Sattar Howlader, deputy managing director, and Md Abul Kalam, assistant managing director, were present.

PHOTO: EASTLAND INSURANCE COMPANY



Unloading 50-kilogramme (kg) rice sacks from goods-carrying water vessels from morning till evening, these workers can earn around Tk 700-Tk 800 a day. Wage labourers in Bangladesh passed a gruelling year as their income growth dropped to a six-year low last fiscal year, whereas living expenses went up amid rising inflation. The photo was taken in Muktijoddha Park area by the Kirtankhola river in Barishal on Wednesday.

PHOTO: TITU DAS

Stock index stops short of 7,000 points

Turnover rose 19 per cent to Tk 1,683 crore. This is the highest turnover at the DSE in around one and a half months since November 21, when it was Tk 1,786 crore

STAR BUSINESS REPORT

The Bangladesh stock market index continued its climb in tune with the rise of some key companies yesterday but stopped short of the 7,000 points landmark.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), climbed 57 points, or 0.83 per cent, to 6,987.

Turnover, an important indicator of the stock market, rose 19 per cent, to Tk 1,683 crore. This is the highest turnover at the DSE in around one and a half months since November 21, when it was Tk 1,786 crore.

Some companies with large paid-up capitals and good performance records made advances, so the index rose, said a stockbroker. United Power Generation Distribution Company had the highest influence. Its contribution was 5 points to the DSEX, according to data of amarstock.com.

LafargeHolcim Bangladesh, Titas Gas Transmission and Distribution Company and Bangladesh Submarine Cable Company jointly contributed 12 points, showed the data.

Some big eligible investors invested funds in recent times and they chose these stocks, he said.

However, some manipulators are investing funds in low paid-up capital-based companies whose performances are substandard, just to dupe others and make a quick buck, he said.

So investors should be careful, he added.

Western Marine Shipyard topped the gainers' list, rising 10 per cent, followed by Bangladesh Shipping Corporation, Dhaka Electric supply Company (Desco), Titas Gas Transmission and Distribution Company, and Mir Akhter Hossain.

Delta Life Insurance Company was traded the most, worth Tk 118 crore, followed by Beximco, Bangladesh Shipping

Corporation, Power Grid Company of Bangladesh and LafargeHolcim Bangladesh.

Prime Insurance Company shed the most, dropping 5.75 per cent, followed by National Life Insurance Company, Popular Life Insurance Company, Sonali Paper and Board Mills and Sonali Life Insurance Company. At the DSE, 164 stocks advanced, 179 fell and 35 remained the same.

Chittagong Stock Exchange (CSE) also rose yesterday. The CASPI, the main index of the CSE, edged up 168 points, or 0.82 per cent, to 20,495.

Among 308 stocks to undergo trade, 136 advanced, 135 declined and 37 remained unchanged.

Biman launches Ctg-Dubai flights

RASHIDUL HASAN

Amid increasing demands, Biman Bangladesh Airlines has decided to operate direct flights on the Chattogram-Dubai route from January 11.

The national flag carrier announced the decision following the introduction of the RT-PCR lab facility at Chattogram's Shah Amanat International Airport recently.

Before starting regular flights, Biman will operate a special flight on the Dhaka-Chattogram-Dubai route on January 9, said a press release.

About the special flight, Biman said the BG 4147 flight will depart from Hazrat Shahjalal International Airport in Dhaka at 10:15am and will land at Chattogram airport at 11:00am.

From Chattogram, the flight will depart for Dubai at 12:00pm and is scheduled to land in Dubai at 3:30pm (local time).

Passengers were requested to be present at the airport at least 8 hours before departure to complete all the activities as per Dubai travel advisory.

The maximum price for each economy class one-way ticket is Tk 65,329 inclusive of tax, and the minimum price for each one-way business class ticket is Tk 86,536 inclusive of tax.

Tickets for the flight were open for sale from 4:30pm yesterday. Apart from Biman, Emirates, Flydubai, Etihad and Air Arabia operate direct flights to different destinations in the UAE.

Raise Ctg port's capacity to cut business cost, says FBCCI

STAR BUSINESS REPORT

The cost of doing business may come down by around 5 per cent if the capacity of the Chattogram port is increased, said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) yesterday.

Foreign entrepreneurs will also feel encouraged if the cost of doing business can be reduced, he said at the first meeting of the FBCCI Standing Committee on Ports and Shipping yesterday.

He said the pressure on the Chattogram Port will increase a lot if production starts in full swing in Bangabandhu Industrial City and other economic zones of the country. At present, the speed of cargo vehicles on the Dhaka-Chattogram highway is 40 kilometres per hour. If this speed is doubled, the competitiveness of the export sector will increase by 6 per cent, he said.

Chemicals imported through the port are required to be tested separately before unloading and it takes 10 to 12 days for the importers to get the tests done, he said.

"Immediate steps should be taken to solve these problems related to the port."

Shanta Asset Management declares 10pc dividend

STAR BUSINESS DESK

Shanta Asset Management has declared 10 per cent cash dividend (Tk 1 per unit) for investors of Shanta Amanah Shariah Fund for the year ending on December 31, 2021.

The fund's earnings per unit stood at Tk 1.33, implying that the fund disbursed 75.2 per cent of its earnings among investors, says a press release.

The fund has generated a 16.4 per cent return against a 15.2 per cent rise in Dhaka Stock Exchange Shariah Index.

"We are working rigorously to generate a satisfactory return for our valued investors with in-depth research and disciplinary investment," said CEO Mohammad Emran Hasan.

Volvo to debut self-driving feature

REUTERS

Volvo Cars and self-driving sensor maker Luminar Technologies Inc said on Wednesday a hands free driving system called "Ride Pilot" will be first released in California.

Volvo is planning to deploy the technology, which will allow the car to take over driving tasks in some limited situations.

Non-food inflation

FROM PAGE B1

workers needed to produce raw materials and move goods from factories to consumers, Reuters reported.

According to Prof Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, several factors were at play for the rise in inflation.

The first one is imported inflation: global prices, influenced by oil price hike in the international market, have pushed up the costs of imported products.

There is also an influence of the exchange rate fluctuation, said Prof

Rahman.

The taka has lost significant value against US dollars, owing to rocketing imports, moderate exports and slowdown in remittance flow, making imports costlier.

"The failure to manage properly was also responsible for the soaring inflation. As a result, consumers had to buy products at higher prices," said Rahman.

"Using oligopolistic power, intermediaries manipulate prices from the import stage to the retail stage in the case of imported commodities,

and from the farm gate to the retail stage in the case of domestically produced commodity."

The higher inflation also reflects the fuel price hike and its impact that has been overwhelming since it is involved with the production cost of various products and the transport cost, according to the expert. Inflation is unlikely to cool down very soon.

An internal study of the finance ministry found that inflation would be on an upward path for three to four months after the fuel price hike, said an official of the ministry.

Bangladesh sees no imminent setback

FROM PAGE B1

Besides, he alleged, a section of brick kiln owners use woods to bake bricks bribing officials at local administrations and law enforcers.

Shah Abdul Moula, project director of Payra 1,320 MW coal power project of Bangladesh-China Power Company (Pvt.), said they import coal from Indonesia and the daily requirement was now nearly 6,000 tonnes.

He said the power plant has more than 2 lakh tonnes of coal in stock for use in the next two months.

"We will observe the situation for a few more days," he said.

Officials said the power producer has a memorandum of understanding in place

with Australia and if supplies from Indonesia faced any setback, it may consider importing coal from other sources.

Reuters reported that the Indonesian government had pledged to start a review of the ban on Wednesday but talks were postponed and energy ministry officials on Thursday said it was unclear when they might decide to end the ban.

An official at the Indonesia Coal Miners Association on Thursday said discussions were ongoing, it added.

Mosharrar Hossen, a coal importer, said if India continues to supply coal, any crisis here was unlikely to surface.

Coal imports from Meghalaya via Tamabil

border of Sylhet division resumed nearly two months ago, he said.

"We will be able to cater to local demand if India continues to provide supplies," he said.

Khalilur Rahman, president of Bangladesh Brick Manufacturing Owners Association (BBMOA), said brick field owners stocked up on their requirement of coal in October and November before starting production.

He said the price of bricks went up by Tk 1,000 per thousand units due to an increase in coal prices in the international market in October last year.

Bangladesh needs around 1,500 crore bricks per year for construction activities.

Fed sees rate hikes 'sooner' as inflation spikes

AFP, Washington

Federal Reserve officials last month were concerned about the Omicron impact, but believed the US economy had recovered enough from the pandemic downturn that interest rate hikes could come sooner than expected, according to minutes of the December meeting released Wednesday.

The document provides a behind-the-scenes look at the deliberations of the Fed's policy committee, which convened as the US central bank faced increasing pressure to act against the wave of inflation that sent consumer prices surging to multi-decade highs.

BB tightens rules for selling digital services

FROM PAGE B1

exchange regulations.

The digital items, purchased under individual or corporate entitlements of foreign exchange, cannot be placed at e-commerce marketplaces for sell.

The customers' due diligence needs to be monitored along with anti-money laundering provisions before uploading merchants to marketplaces or platforms.

Mobile money booms, empowers unbanked

FROM PAGE B1

Armed with an easy account-opening process and the lowest cash-out charge, safety net disbursement helped it create 3.35 crore new customers in a year, an unprecedented achievement, lifting its customer base to 5.78 crore by the end of 2021.

On average, Tk 750 crore is channeled through Nagad every day.

In Bangladesh, the number of registered clients rose 12.13 per cent year-on-year to 10.81 crore in October, bringing the poor and the un-banked as well as under-banked into formal financial systems.

Nagad's data is not included in the central bank's calculation as it is running operation on the basis of an interim licence from the BB. Some 2.01 crore people joined Nagad in 2021 by dialing *167# from a mobile phone, the easiest account-opening process in the world.

Last year, Nagad distributed government allowances and safety net funds 8 crore times among 3.5 crore beneficiaries.

Speaking about the achievement, Nagad Managing Director Tanvir A Mishuk said, "Nagad has brought about revolution to the mobile financial service in the country since its inception."

"Nagad has become the best mobile financial service for ensuring digital services for customers thanks to our customer-

friendly, easy and affordable service," he said in a press release.

The biggest milestone in the sector is Softbank Vision Fund 2's investment in bKash, elevating it to the level of Arm Holdings, Sprint Corporation, Alibaba, Yahoo Japan, Ola Cabs, HYKE, Paytm, and WeWork, where it has investments.

The fund, which is the first investment from Japanese tech investor SoftBank in Bangladesh, will support bKash's existing robust and customer-friendly platform, increase digital adoption and help users experience the best technology available.

It will help promote financial inclusion through building a digital financial ecosystem in Bangladesh.

"The fact that Softbank decided to put money into bKash, it means company like Softbank recognised the overall running system by bKash," said Ito Naoki, Japanese ambassador to Bangladesh, a few weeks ago.

Last year also saw the launch of a new MFS provider, Trust Axiata Pay (tap), a joint venture of Trust Bank, a private commercial lender in Bangladesh, and Axiata Digital Services of Malaysia.

Upay, the MFS brand of UCB Fintech Company Ltd, a subsidiary of United Commercial Bank, acquired 40 lakh customers and deployed 1 lakh agent points across the country since it launched on March 17, 2021.

In another major move, bKash joined hands with City Bank to roll out the country's first digital nano loan, highlighting what people could expect from the burgeoning MFS sector in the coming days. The collateral-free and instant 'Digital Nano Loan' helped Bangladesh enter into a new era of digital lending.

Pran-RFL going for Tk 1,700cr expansion

FROM PAGE B1

in Rajshahi's Godagari upazila in February this year. The factory is expected to generate around 2,500 jobs for rural women. With an investment of Tk 40 crore, the group is setting up poultry farms in Moulvibazar and Habiganj districts with a yearly production target of 15 crore eggs and 360 tonnes of broiler chicken meat.



Concrete statues of all types kept on display for buyers by Messers SA Traders in Savar. The photo was taken on Sunday.

PHOTO: PALASH KHAN

Turning a HOBBY into a successful BUSINESS

Entrepreneur decorates parks with concrete animal statues

MD ASADUZ ZAMAN, back from Savar

In the warm of winter morning, two siblings Tashfin and Tanha arrived at their school on Monday in Savar's Bypile area like any other normal day with their mother.

After attending their first-hour classes at GM Model High School, which also runs a primary section, the fifth and nursery grade students rushed to their playground adorned with concrete showpieces of animals and began playing with their classmates.

Donning white and blue school uniforms, students gathered around a concrete sculpture of giraffe. A majority of them attempted to ride on it. Some others began playing with a deer.

"They barely want to miss school as they get a joyous environment with regular academic activities," said Rokhsana Akhter Srabon, a mother of two.

In order to provide both amusement and teaching, Golam Haider Khokon, the founder of the school, has decorated the school with concrete statues of penguin,



Children play on concrete statues of animals during recess at GM Model High School in Savar's Bypile area on Monday.

PHOTO: MD ASADUZ ZAMAN

wagtail, deer, and giraffe.

"It is essential for children to receive an education that is enjoyable too. In a village school, I rarely see education and amusement coming together."

He bought some concrete statues from Savar, keeping in mind the pleasure of his pupils.

Many eye-catching concrete statues, like in this school, can be found in various locations, such as amusement parks, markets, or even restaurants.

Many people also use concrete structures of flowers, fruits, birds, and animals to decorate their homes, private plots, and gardens.

During a visit to Savar recently, it was found that a huge numbers of concrete statues of elephants, horses, birds, dinosaurs or even the Statue of Liberty are on display for customers alongside the road on Thana Stand, Genda, and Bismile gate.

Although the cement

creatures are considered as a means of beautification, there are stories of entrepreneurs behind them. There is also business potential.

One of the entrepreneurs is Md Saidur Rahman Jibon, the owner of SA Traders who claimed to be the first entrepreneur to introduce the trade in the area.

After quitting the profession of a contractor registered with Savar municipality, he built two elephant calves with concrete in 1991, although he did not have the educational qualifications to make them.

To his surprise, the two cement creatures were sold quickly. Buoyed by the success,

receive orders and his team visited under-construction parks and successfully constructed concrete animal statues.

"The showpieces represent natural things, and we have close ties to the beauty of nature. We simply teach the children with wildlife or natural contents so that they can learn, understand, and enjoy," Jibon said.

The entrepreneur plans to decorate the parks and tourism attractions across the country with his concrete creatures.

Jibon is pleased to be able to contribute to the state by launching the unique initiative and expressed his joy as he pays value-added tax and tax on a regular basis.

He currently employs 15 artists and labourers, some from fine arts departments from reputed institutions.

The cost of statues ranges from Tk 1,500 and Tk 1 lakh. At least four small shops have sprung up in Savar to meet rising demand.

However, according to academics, the principles of the statue industry have been overlooked in many cases, but

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he injected some fresh capital to start it full-fledged.

It expanded his footprint, and soon Jibon started supplying the products to various parks across the country.

Gradually, he began to

Lawmakers can now import electric cars duty-free

STAR BUSINESS REPORT

Lawmakers will be able to import electric cars and hybrid jeep duty-free from now on, according to a notification of the National Board of Revenue (NBR) issued on Wednesday.

The announcement comes the time when interest for using hybrid and electric vehicles is growing.

The benefit becomes effective immediately, according to the notification.

Prior to adding the hybrid jeep and electric cars, the members of parliaments were entitled to import vehicles of up to 4,500 cubic centimeter engine capacity without paying import duty and taxes, which now ranges from 89 per cent to 826 per cent in case of import by private importers.

The NBR introduced the privilege for lawmakers to import cars duty-free in May 1988 and the benefit was revised from time to time.

HC clears way for LafargeHolcim's aggregate business

STAR BUSINESS REPORT

LafargeHolcim Bangladesh Ltd has received the final nod from the High Court to resume its aggregate business in the country, according to a regulatory filing.

After the disclosure was posted on the website of the Dhaka Stock Exchange yesterday, the share of the multinational cement-maker started to rise. It closed around 5 per cent higher at Tk 81.50.

"We acknowledge the favourable verdict from the Honorable High Court Division, which has passed the order to resume our aggregate operations," said Asif Bhuiyan, chief corporate affairs officer and human resources director of the company.

In January, LafargeHolcim Bangladesh said it made a foray into the aggregate business.

The industries ministry directed LafargeHolcim to stop aggregate business by issuing a letter dated September 16, 2021.

The company filed a writ petition, challenging the ministry's instruction. On October 11, the High Court issued a rule. On Wednesday, the Division Bench of the High Court delivered judgment making the rule absolute.

"Accordingly, the company has recommenced the production and sales of aggregate with immediate effect," said the disclosure.

"We firmly believe that the recommencement of the aggregate operations will have a positive impact on the foreign investors," Bhuiyan said in a written note yesterday.

Aggregate is a broad category of coarse particulate material used in construction, including sand, gravel, crushed stone, slag, recycled concrete and geo-synthetic aggregates.

LafargeHolcim has set up the crushing unit with ancillary equipment on the premises of its existing integrated clinker and cement manufacturing plant in Chhatak, Sunamganj.

It has the capacity to produce 12 lakh tonnes of clear-sized graded aggregate per annum. It invested Tk 40.1 crore.

The annual demand for clear-sized aggregate is around 1.5 crore tonnes and Bangladesh relies on imports from the countries such as India, Bhutan, Vietnam, Oman and the UAE for supply.

Thanks to the unit, LafargeHolcim will capture about 2 per cent share of the aggregate market in the country.

Indonesia scraps huge mining, coal permits

AFP, Jakarta

Indonesia on Thursday revoked thousands of permits for mining, coal and forestry as the government battles to rein in its vast resources sector.

President Joko Widodo's announcement comes during a wrangle with coal producers over their failure to supply the domestic market, which sparked a ban on overseas shipments by the world's biggest thermal coal exporter.

While Widodo did not explicitly mention the coal crisis, his move highlights the challenges Indonesia faces in governing its natural resources, which include up to 17 billion tonnes of coal reserves and Asia's biggest area of exploitable tropical forest.

Widodo said his administration revoked 2,078 permits for mining, mineral and coal businesses because the firms failed to provide work plans, misused the permits or transferred them to other parties. The government also revoked almost 200 forestry permits covering more than 31,000 square kilometres (12,000 square miles) -- an area about the size of Belgium.

"Some permits have been granted for years but they were never carried out. This has turned natural resources that should be used to improve public welfare into a hostage," Widodo said.

On Monday the president threatened to revoke the licences of power producers who fail to comply with their obligations to ensure domestic electricity generators are supplied.

"Companies that don't meet their obligations ... should be sanctioned, not just with export permit bans but also the revocation of business permits," he said.



A worker is using a torch to cut steel pipes near the coal-powered Datang International Zhangjiakou Power Station at Zhangjiakou, one of the host cities for the 2022 Winter Olympic Games, in China's northern Hebei province.

PHOTO: AFP

German industrial orders bounce back

AFP, Frankfurt

German industrial orders rebounded in November after a sharp drop in October, official data showed Thursday, despite persistent shortages in raw materials and components weighing on the sector.

The indicator, which gives a foretaste of industrial production, climbed by 3.7 per cent in November over the previous month, having fallen by 5.8 per cent in October, according to revised figures from the federal statistics agency Destatis.

The figures were a "positive impulse for the economic outlook", the economy ministry said in a statement, while noting that "economic activity continues to be hampered by supply bottlenecks".

The country's flagship auto industry saw orders increase by seven per cent in November.