

# Star BUSINESS

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## FAO regional confce starts on March 8 in Dhaka

**STAR BUSINESS REPORT**  
 Bangladesh will host the 36th Regional Conference for Asia and the Pacific of the Food and Agriculture Organization (FAO) for the first time since it joined the organisation in 1973. Allan Dow, head of communications of the FAO's Asia-Pacific regional office, made the announcement at a virtual press conference yesterday. Due to the Covid-19 situation, the conference will be held as a hybrid event at the InterContinental Dhaka, with some participants joining via videoconferencing. A total of 46 countries from across the region are expected to attend with Prime Minister

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## Banks asked to run with 50pc staff

**STAR BUSINESS REPORT**  
 Bangladesh Bank yesterday asked banks to run operations with 50 per cent of their workforce until February 6 by introducing alternate-day duty rosters immediately in order to tackle the third wave of the coronavirus pandemic. However, banks can also decide for themselves the number of employees they will have in place to run essential banking services, said the banking regulator. This means banks are allowed to run special banking operations by deploying more than 50 per cent of their employees. The employees will have to stay in their respective residences when they do not have to attend work in person when following the alternate-day rosters and can work through virtual platforms, according to a central bank notice. Clients will have to wear face masks on a mandatory basis while taking service from banks. The BB has given the instructions as per the decisions taken by the government.

# \$1.58b FDI in the offing for shipbuilding

## Govt plans to set up shipyard in Payra

SUKANTA HALDER and MD ASADUZ ZAMAN

The government looks to set up a shipbuilding facility in partnership with foreign investors at the Payra seaport in Patuakhali with an investment of \$1.58 billion to cut import dependence for vessels and market ships globally.

State-run Bangladesh Steel and Engineering Corporation (BSEC) under the industries ministry will provide land to Gentium Solutions, a Singapore and Australia-based company and Damen Shipyards Group, a Dutch company, to construct the shipyard, which will make merchant and passenger ships.

"If the project is implemented, it will be the highest-ever foreign direct investment (FDI) in Bangladesh," said the ministry in a press release.

In August 2018, Japan Tobacco International acquired local Akij Group's tobacco business for \$1.47 billion, the single largest FDI in Bangladesh so far.

The disclosure comes after representatives from Gentium Solutions and Damen Shipyards Group presented a feasibility report for

developing the shipbuilding and repair facility to the ministry where Industries Minister Nurul Majid Mahmud Humayun was present.

Gentium Solutions and Damen prepared the feasibility report after signing a memorandum of understanding (MOU) with BSEC in 2020.

The report found the prospect of

share. "Bangladesh wants to be a shipbuilding nation. The government will provide land and all sorts of support to establish a world-class shipbuilding yard," said Nurul Majid Mahmud Humayun.

The ministry took the initiative based on Prime Minister Sheikh Hasina's announcement of establishing a shipyard at Payra in 2014.

Subsequently, the ministry took up a priority project, for which the government has earmarked 101 acres of land at the seaport. Later, the BSEC signed the MoU.

Md Kaikobad Hossain, adviser to Gentium Solutions, said the feasibility study was carried out by Ernst & Young, a multinational professional services provider with headquarters in London.

"We have submitted an investment proposal as we have found the prospect through the feasibility report," he said, adding that the BSEC would examine and analyse the proposal and give its opinion to the ministry.

"We will start negotiation once they invite us," added Hossain, a former secretary of the government.

Gentium Solutions and Damen

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shipbuilding in Bangladesh.

The country already makes vessels for local and foreign buyers thanks to the presence of nearly 200 small and large shipbuilding yards.

Annually, Bangladesh has a \$1 billion local market for shipbuilding, said the report, adding that the global market for shipbuilding stood at \$192 billion in 2019 with South Korea, China and Japan holding most of the market

### SHIPBUILDING SECTOR: KEY POINTS

- 200 shipyards in Bangladesh
- 15 with experience in building complex vessels
- \$1b annual market for local shipbuilding

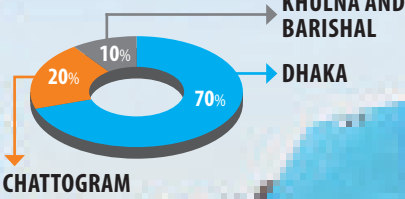
### MAJOR SHIPYARDS

- Khulna Shipyard
- Dockyard and Engineering Works
- Chittagong Dry Dock
- Western Marine Shipyard
- Khan Brothers
- Meghna Shipbuilders

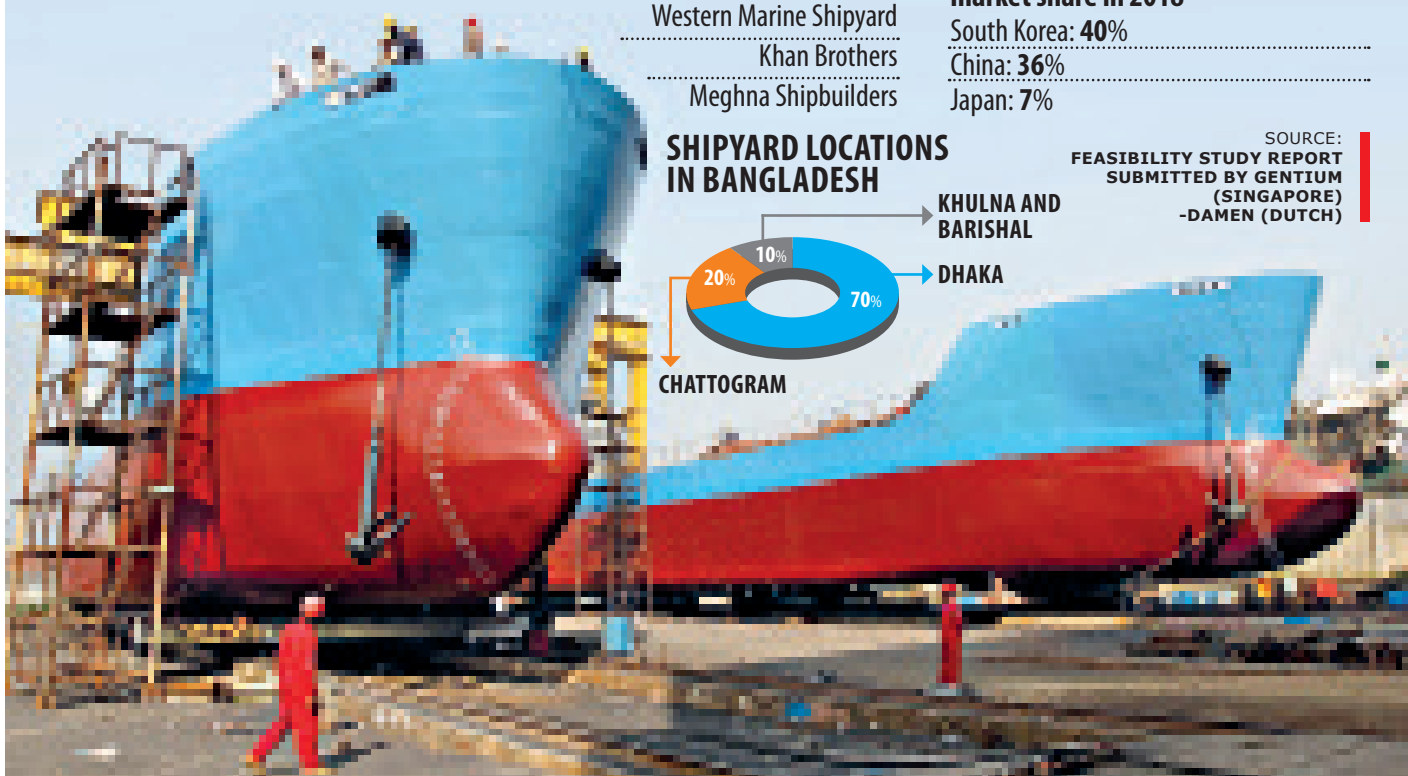
### GLOBAL SHIPBUILDING MARKET

- Shipbuilding and repairing market stood at \$192b in 2019
- Major shipbuilding nations' market share in 2018
- South Korea: 40%
- China: 36%
- Japan: 7%

### SHIPYARD LOCATIONS IN BANGLADESH



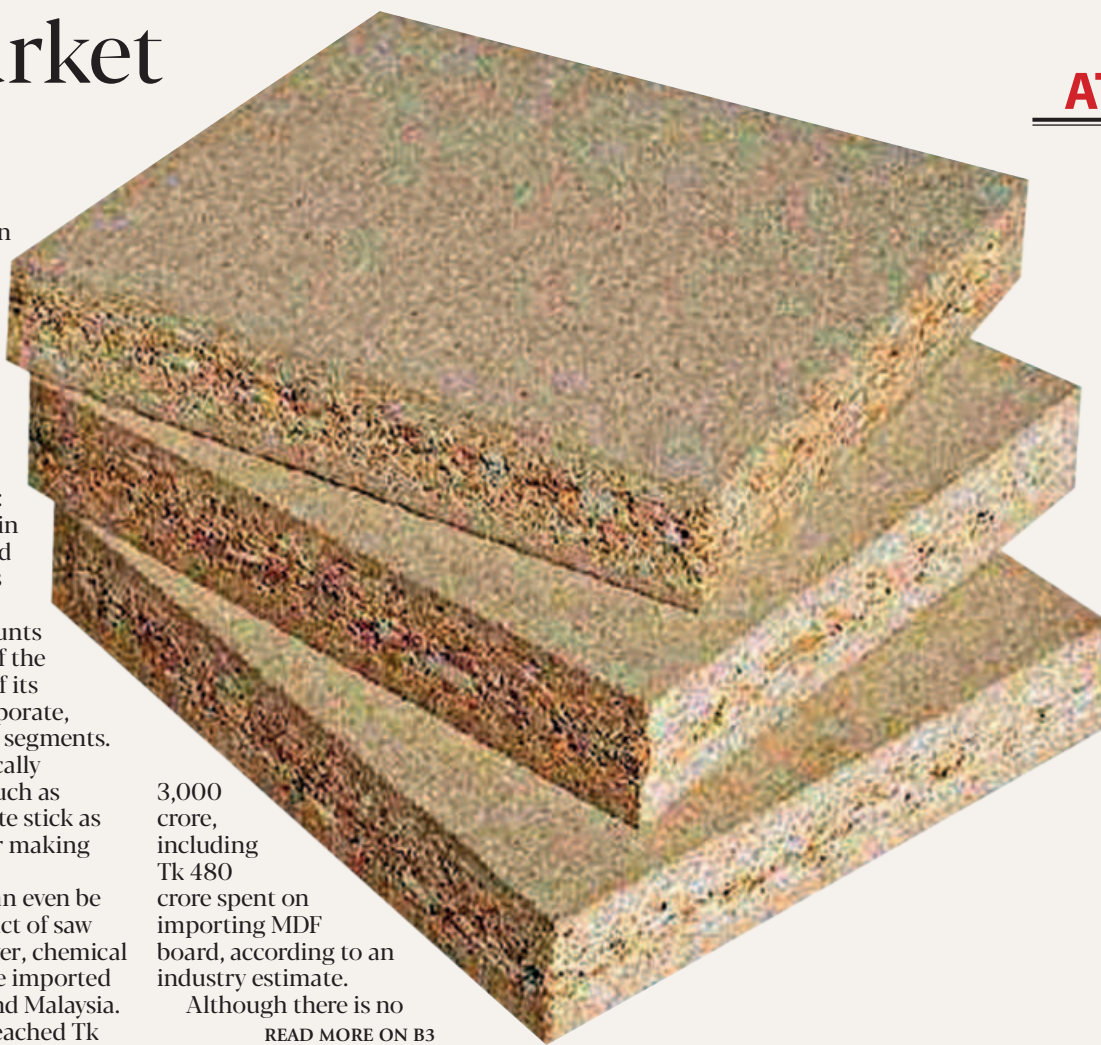
SOURCE: FEASIBILITY STUDY REPORT SUBMITTED BY GENTIUM (SINGAPORE) - DAMEN (DUTCH)



## Particle board market gains traction

**JAGARAN CHAKMA**  
 The market for particle board is thriving in Bangladesh on the back of the rising demand for timber-alternative furniture and their growing use in interior designing. The demand for particle board, which is cheaper and eco-friendly than wooden ones, has been increasing around 15 to 18 per cent per year since 2017, thanks to rapid urbanisation and the growing housing sector, according to Fazle Rabbi, head of marketing of Partex Star Group, one of top particle board manufacturers in Bangladesh. A particle board is a timber substitute, made of wood chips. It is used in interior decoration, furniture, door and door frames, partitions, false ceilings, shelves and panels for use at homes, offices and commercial establishments. Established in 1962, Star Particle Board Mills Ltd, a concern of Partex Star Group, became the first such industry in Bangladesh as it set up a jute-based particle board factory. The journey of the wood-based particle board industry started in

2006. And there has been massive investment in particle board manufacturing after 2011 as demand rose steadily in line with the fast-expanding consumer class. There are several types of particle boards produced in the country: melamine, ply board, plain board, veneered board, and PVC board. MDF board is imported from Malaysia. Melamine board accounts for around 60 per cent of the market on the account of its higher usage among corporate, furniture and residential segments. Manufacturers use locally available raw materials such as wastage of timber and jute stick as the major ingredients for making particle board. "So, particle boards can even be considered as a by-product of saw mills," Rabbi said. However, chemical and pasting materials are imported from China, Myanmar and Malaysia. The market size has reached Tk



3,000 crore, including Tk 480 crore spent on importing MDF board, according to an industry estimate. Although there is no

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### INDUSTRY AT A GLANCE

- Market size Tk 3,000cr
- Total investment Tk 10,000cr
- 15 to 16 big and small factories
- Total employment 15,000
- Local manufacturers meet 80pc demand
- Average annual growth 18pc
- Furniture sector consumes 54pc
- Corporate sector consumes 46pc
- Annual demand for particle board is 76cr square feet
- Major manufacturers: Akij, Star, Super, Amber, Woodland, Otobi

## BFIU seeks bank account details of Dr Yunus

**STAR BUSINESS REPORT**  
 The Bangladesh Financial Intelligence Unit (BFIU) has asked banks to provide detailed information about the accounts and transactions of Nobel laureate Dr Muhammad Yunus for the last two years. On January 20, the agency, which works to curb money laundering and terrorist financing, ordered banks to furnish it with the information in three working days. The BFIU did not give any reason why it is seeking information about the accounts and transaction details of Professor Yunus, the pioneer of microcredit and founder of Grameen Bank. Contacted, Md Masud Biswas, head of the BFIU, declined to comment. Prof Yunus and Grameen Bank were awarded the Nobel Peace Prize in 2006 for their work to "create economic and social development from below".

## Qcoom refunds Tk 40.24 lakh to 20 customers

**STAR BUSINESS REPORT**  
 Qcoom yesterday provided 20 of its customers a refund of around Tk 40.24 lakh, the first such move by a platform of the e-commerce sector mired in allegations of not delivering products against advance payments. The return was made through Foster Corporation, one of the payment gateways brought in place by the government since July 2021 to ensure that the platforms got paid only after customers confirmed having been delivered products. So far, more than 16 e-commerce companies have been found involved in embezzling over Tk 3,000 crore of customers simply by not keeping their side of the bargain. Since July 1 last year, over Tk 394 crore has ended up getting stuck with Foster Corporation. Qcoom and Foster Corporation have provided an initial list of 6,721 consumers to the commerce ministry, saying they were eligible for a refund of Tk 59.05 crore. "The other Qcoom consumers will be refunded gradually," said Tapan Kanti Ghosh, senior secretary to the ministry. He was speaking to journalist at a press conference at his Bangladesh Secretariat office marking the start of the refunding process. Azad Hossain, one of yesterday's 20 customers, said he had made an advance payment of Tk 1.10 lakh in July last year for a motorcycle but neither received the product nor the money. Another customer, Shafiqul Islam of Mymensingh, was happy to get back Tk 5.51 lakh which he had paid on July 1 last year to purchase five motorcycles. Ghosh said any laundered money would be difficult to refund but it would be easy in case of money over which no court case was pending. The ministry will act as per court verdicts, he added. Within the next 15 days the commerce ministry will launch unique business identification

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## IBBL establishes credit guarantee arrangement with USDA

STAR BUSINESS DESK

Islami Bank Bangladesh Ltd (IBBL) recently established a credit guarantee arrangement with the United States Department of Agriculture (USDA) in the US.

The organisation provides credit guarantees to US approved banks and financial institutions under this export credit guarantee programme (GSM-102), a press release said.

The USDA's Foreign Agricultural Service (FAS) administers the programme on behalf of the Commodity Credit Corporation (CCC), which actually issues the credit guarantees.

The organisation has already approved \$30 million for IBBL, for which the importers of the bank will get discount facilities for a maximum of 18 months from USDA-enlisted banks at a lower discounting rate.

**Through this arrangement with the USDA, the IBBL will get more opportunities to increase relationships with US-based financial institutions**

The exporter's bank will extend its financing facilities with no requirement of adding confirmation to the irrevocable letter of credit for which IBBL will issue a dollar-denominated, irrevocable letter of credit in favour of the US exporter.

The US exporter may get payment from US negotiating banks after submitting export documents. For this, the exporter is required to provide a report of export to the CCC for each shipment that occurs under the payment guarantee.

IBBL will make payments to the discounting bank at maturity of the bill. Through this arrangement with the USDA, the IBBL will get more opportunities to increase relationships with US-based financial institutions.



Two mobile expeller presses sell mustard oil for Tk 200 a kilogramme in the capital's Dhanmondi. Extracting the oil from seeds right before the eyes of customers assures of its purity, something most people are skeptical of in case of oil available in the markets. The photo was taken recently.

PHOTO: PRABIR DAS

# EU plan to label gas and nuclear as green could mislead investors

REUTERS, Brussels/London

The European Union's draft plan to label gas and nuclear plants as green investments risks causing confusion and misstated financial disclosures, expert advisers to the bloc said amid criticism of the proposal from some lawmakers and nations.

In feedback due to be published on Monday, the experts urged EU authorities to rewrite the draft rules, which they said would label gas plants with relatively high CO2 emissions as sustainable, as well as new nuclear plants launched too late to help meet the bloc's 2050 climate target.

The specialist advisers, whose views were reported in a leaked draft on Friday, said the proposal would make it hard for investors to assess which investments are truly climate-friendly - the question that the EU's "sustainable finance taxonomy" was designed to provide a clear answer on.

"The implication is the market will not be able to interpret what investments are truly aligned with the climate goals and which ones are not," Nathan Fabian, chair of the expert advisory panel, told

**EU countries and lawmakers disagree on whether gas and nuclear deserve a green badge. Germany rejected including nuclear in a letter to the EU, while four other states publicly opposed the Commission proposal last week**

Reuters. "It would lead to misstatements in financial disclosures."

"You'd see claims in financial products that your money is being invested in a sustainable way - but it's in a gas plant that's got above the European average emissions level," he added.

If the European Commission went ahead with the draft rules, the advisers said it should require companies and financial product issuers to single out gas and nuclear in their financial disclosures, rather than grouping them together with other green investments like electric cars

or wind energy. Tougher disclosures would be needed to avoid "greenwashing", the feedback said.

The EU taxonomy would not ban investments in assets that lack a green label. But by badging climate-friendly investments as green, it aims to make them more attractive to investors.

EU countries and lawmakers disagree on whether gas and nuclear deserve a green badge. Germany rejected including nuclear in a letter to the EU, while four other states publicly opposed the Commission proposal last week.

Meanwhile, groups representing more than 200 of the European Parliament's 700 lawmakers sent letters to the Commission raising concerns. Some are opposed to labelling gas and nuclear as sustainable, some are seeking rules to include more gas plants, and others are calling for a public consultation on the rules.

The Commission must now publish a final proposal for the rules. A majority of European Parliament lawmakers or a super-majority of EU countries - 20 of the 27 member states - could veto them.

## FAO regional confce starts

FROM PAGE B1  
Sheikh Hasina set to address the event virtually on behalf of the host country on March 10.

The conference will begin on March 8 and conclude on March 11.

On March 10 and 11, Agriculture Minister Abdur Razzaque will preside over the conference. Qu Dongyu, director general of the FAO, is also expected to attend.

The FAO regional conference is a formal gathering of member countries' agriculture ministers and other senior officials to discuss country and regional priorities, such as the impact of Covid-19, the state of agriculture, natural resource management, food security, and nutrition.

It is also a chance to highlight partnerships, innovation, and digital technologies that are helping to improve food security and nutrition in the region, as well as regional and global policy and regulatory issues.

The FAO is a United Nations specialised agency in charge of international hunger relief efforts.

Bangladesh and the FAO have been working closely together in developing areas of agriculture, food, forestry, fisheries, livestock, rural development and climate change.

The last regional conference was held in Bhutan virtually while the first was held in Bangalore, India in 1953.

# Gulf economies to grow faster in 2022, oil price fall biggest threat

REUTERS, Bengaluru

The economies in the six-member Gulf Cooperation Council will grow at their fastest paces in several years, according to a Reuters poll of economists who cautioned the risk to that outlook was skewed to the downside.

Crude oil prices, a major driver for Gulf economies, climbed to their highest since 2014 on Wednesday, driven by escalating global political tensions involving major producers including United Arab Emirates and Russia, which could worsen already tight supplies.

That is bullish news for the six wealthy oil-exporting countries in the region.

The January 11-19 poll of 25 economists forecast all six economies in the Gulf Cooperation Council would grow faster this year than was expected three months ago.

Saudi Arabia was predicted to top the list with growth of 5.7 per cent, followed by Kuwait and UAE with 5.3 per cent and 4.8 per cent respectively.

Economic growth in Qatar, Oman and Bahrain was expected to average between 3 per cent - 4 per cent for 2022. If realised, that would be the

best these countries have witnessed in several years.

"Despite relatively tight fiscal policy, and some external headwinds, we expect the GCC economies to see faster growth in 2022 as they continue to build on the progress made last year," said Khatija Haque, head of research and chief economist at Emirates NBD.

"While the outlook for 2022 remains broadly constructive, there is still a high degree of uncertainty especially with regards to the evolution of the coronavirus pandemic."

As the global economy deals with the prospect of persistent inflation, the region's price outlook was modest, but varied.

Inflation was expected to stay between 2.0 per cent and 2.8 per cent this year, with the lowest reading for the UAE, Saudi Arabia and Oman at 2.0 per cent and the highest for Qatar at 2.8 per cent.

Saudi Arabia, the world's largest crude oil exporter and the region's economic and political heavyweight, will see 5.7 per cent economic growth this year. If realised, it would be the fastest growth since 2012 when oil averaged around \$111 per barrel.

## Rice farmers delighted

FROM PAGE B4  
policy issues to the government and other relevant bodies.

Mahbubur Rashid, deputy director of the DAE in Dinajpur, admitted that the area of Kataribhog cultivation has shrunk

for various reasons despite having broader prospects.

"The local department has taken initiatives to increase the cultivation area as such," he said.

Apu Deb, owner of Uttara Chaal

Ghar at Barabandar area in Dinajpur town, said there was high demand for Kataribhog rice across the country.

"The sale of this particular aromatic rice is high online," Deb added.

## StanChart wins Asset Triple's best bank award in Bangladesh

STAR BUSINESS REPORT

Standard Chartered Bangladesh has been recognised as the 'Best Bank in Bangladesh' at the Asset Triple A Sustainable Capital Markets Country Awards 2021 recently.

The bank has received this prestigious award for the second consecutive time and the 31st major award it has achieved in 2021, according to a press release.

The Asset's annual Triple A recognition represents the industry's most prestigious awards for banking, finance, treasury and the capital markets.

As the financial multi-media group with the widest reach among Asian issuers and global institutional investors, The Asset has unparalleled insight, which forms the foundation of its annual awards.

More than 20 years old, the Asset Triple A Country Awards focus on activity in the domestic markets.

"This award attests to how despite the challenges we have been able to come together as a team to push the boundaries for our clients, and marshaled our strength and resilience to support our communities," said Naser Ezaz Bijoy, chief executive of Standard Chartered Bangladesh.

## Stocks enter second day of decline

STAR BUSINESS REPORT

The stock market witnessed a second day of decline yesterday as investors rushed to rearrange their portfolios after listed companies announced their earnings for the first half (July-December) of fiscal 2021-22.

"Some investors took profits while others rearranged their portfolios considering the earnings of their scrips so the index fell," a stockbroker said.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), plunged 53 points, or 0.75 per cent, to 7,019 yesterday. At the DSE, 71 stocks advanced, 270 fell and 39 remained the same.

Beximco Ltd, Beximco Pharmaceuticals and Walton Hi-tech Industries jointly dropped 26 points from the DSEX, according to amarstock.com, a stock market related data provider.

"I think this rise and fall of the index is a normal behavior of the market," he said.

"People sometimes opt to take profits, which may cause the index to fall, but the index is falling faster than it rises, which may impact investor confidence," he added.

Debutant BD Thai Food topped the gainers list, rising 10 per cent, followed by Union Insurance, Apex Footwear, National Tea, and Kohinoor Chemicals. Stocks of Bangladesh Shipping Corporation traded the most, worth Tk 113 crore, followed by Beximco Ltd, Power Grid, British American Tobacco and Fu-Wang Foods.

Acme Pesticides shed the most, dropping 7.32 per cent, followed by Jamuna Oil, Golden Son, Fu-wang Ceramics, and Bangladesh Shipping Corporation.

Among major sectors, paper and printing, food and allied, and tannery closed positive while ceramics, miscellaneous, and services, and real estate faced correction, according to UCB Stock Brokerage.

Turnover at the premier bourse slid 18 per cent to Tk 1,214 crore.

The Chittagong Stock Exchange also eroded yesterday. The CASPI, the main index of the port city bourse, plummeted 149 points, or 0.72 per cent, to 20,552.

Among the 311 traded stocks, 63 rose, 213 fell and 35 remained unchanged.

## ONE Bank, GD Assist sign agreement

STAR BUSINESS DESK

ONE Bank Ltd (OBL) and GD Assist Ltd recently signed an agreement on arranging free life insurance facilities for the former's clients in Dhaka.

Md Monzur Mofiz, managing director of ONE Bank, and Syed Moynuddin Ahmed, managing director of GD Assist, signed the agreement on behalf of their respective parties, according to a press release.

Under the agreement, the account holders of the OBL Insured Deposit Scheme will enjoy free life insurance coverage up to Tk 10,00,000 along with free hospitalisation cost coverage, free healthcare sessions, free medical advice from foreign doctors, discounts in more than 100 hospitals and diagnostic centres.

High officials of both the organisations were present on the occasion.



Salim Rahman, chairman of Al-Arafah Islami Bank Ltd, recently inaugurated the bank's Business Development Conference with its corporate branches at the lender's head office in Dhaka. Farman R Chowdhury, managing director of the bank, SM Jaffar, Shabbir Ahmed, Md Shafiqur Rahman, Syed Masoudul Bari, Md Mahmudur Rahman, Mohammed Nadim, Abed Ahmed Khan and Abdullah Al Mamun, deputy managing directors, were present.

PHOTO: AIBL



Shamima Nargis, chairman of Bangladesh Development Bank Ltd, inaugurates the bank's Managers' Conference 2022 at the lender's conference room in Dhaka recently. Kazi Alamgir, managing director of the bank, presided over the conference, where the bank's other board directors were present.

PHOTO: BDBL



# Pran Dairy, Arla Foods join hands to boost milk production

## STAR BUSINESS REPORT

Pran Dairy, one of the country's leading dairy companies, and Arla Foods, a European dairy cooperative, have joined hands to work among farmers to improve milk yield and quality along with developing the dairy value chain in Bangladesh.

Under the initiative, Arla Food and Pran Dairy will initially conduct a study on dairy farming, milk production and collection process in Rangpur, the northwest division.

Based on the study, it will train farmers and milk collectors on improving milk yield, farm management practices and fodder with the objective to collect milk locally in the future, the companies said in a statement yesterday.

Arla conducted a similar project in Nigeria in collaboration with non-government organisation, Care Denmark, the Danish Agricultural and Food Council, Seges and the Nigerian pastoralist organisation Coret, and

supported by the Ministry of Foreign Affairs of Denmark, said Arla.

The collaboration comes at a time when demand for milk and dairy products is growing along with dairy farming in the country.

Milk production, which was only 34.6 lakh tonnes in the 2011-12 fiscal year, stood at 119 lakh tonnes in the 2020-21 fiscal year, according to the Department of Livestock Services (DLS).

The bulk of the milk produced goes to the unorganised sector, especially to sweet makers, while organised milk processors such as state-run cooperative Milk Vita and Pran collect nearly 10 lakh litres of milk daily, industry insiders said.

Apart from the locally produced milk, Bangladesh imports a good amount of powdered milk and milk products.

"We have a huge opportunity to do well in the dairy sector of Bangladesh," said Ahsan Khan Chowdhury, chairman and chief executive of Pran-RFL group, after signing the Letter of Intent in this

regard on behalf of Pran.

Peter Hallberg, managing director of Arla Foods Bangladesh, signed on behalf of Arla at the company's headquarters in Dhaka.

Chowdhury said Pran is working with contractual dairy farmers in remote areas and giving various support and training for their skill development.

"But we need to give more emphasis on sustainable dairy production to increase milk productivity and quality, alongside economic output of the local dairy value chain in Bangladesh," he said in the statement.

"I hope the initiative will bring good contribution to our dairy sector," Chowdhury added.

Pran started milk collection in 2001 to meet the growing demand for milk and developed the dairy hub to collect milk from farmers directly to ensure fair prices for them and encourage dairy farming.

The country's biggest agro-processor

has more than 100 milk collection and chilling centres and works with 12,000 contract farmers. It collects more than two lakh litres of milk on a daily average directly from farmers.

"We feel that we can contribute significantly to the overall development of the dairy sector, supporting the goals of the country," said Hallberg.

The international dairy company is owned by 9,400 farmers from Denmark, Sweden, the UK, Germany, Belgium and two other European countries.

"As the fourth largest dairy cooperative in the world, with over 100 years of dairy experience, we are in a unique position to deliver commercial success to the dairy farmers in Bangladesh in developing the sector and to do so sustainably," he said.

Arla Foods Bangladesh Ltd has been operating in the country since 2014 along with its packaging facility located in Konabari, Gazipur. It mainly markets powdered milk under the brand name Dano.

# Oman wants business forum with Bangladesh

## STAR BUSINESS REPORT

Oman has proposed forming a Bangladesh-Oman business forum to explore and strengthen business cooperation between the two countries.

Oman's newly-appointed charge d'affaires to Bangladesh, Abdul Ghaffar Bin Abdul Karim Al-Bulushi, made the proposal when he called on Md Shahriar Alam, state minister for foreign affairs, at the foreign ministry yesterday.

Karim Al-Bulushi emphasised that the boost in trade area needs a business to business interaction and exchange of visit among business communities of the two countries.

He appreciated the role of Bangladeshi workforce in the infrastructure building and development projects and to the economic development of Oman.

They exchanged views on the means and ways of consolidating and expanding the bilateral ties to new areas of cooperation from the single manpower-dominated focus.

The state minister appreciated the independent and balanced foreign policy roles of Oman in the regional and global affairs.

Earlier, Karim Al-Bulushi paid a courtesy call on Foreign Secretary Masud Bin Momen.

Momen urged him to consider emerging areas of cooperation like agriculture and food security, blue economy and enhanced trade between the two countries, IT and climate change.

Karim Al-Bulushi said Bangladesh may focus on sending skilled workforce like engineers, doctors, nurses, caregivers to keep up the manpower market in Oman.

# Marico profits up 20pc

## STAR BUSINESS REPORT

Marico Bangladesh, a listed fast-moving consumer goods multinational, saw a year-on-year sales growth of just over 17 per cent while profit growth of over 20 per cent in the October-December period of the current financial year.

Its revenue grew to Tk 334 crore, profits to Tk 86 crore while earnings per share stood at Tk 27.3, according to a press release issued after a board meeting yesterday.

Based on its profits, the company announced a 200 per cent interim cash dividend for its shareholders. The revenue growth was driven by overall volume growth through a healthy mix in the portfolio led by growth in coconut oil, hair oils, shampoo and baby care portfolios, said the company.

It also launched its "Parachute Just For Baby Shampoo" during the last quarter, extending its comprehensive range of baby care products.

Marico also carried out corporate social responsibility involving soaps, hand sanitisers and petroleum jelly in ultra-poor districts of Bangladesh considering the spike in Covid-19 infections and winter season skin care, it said.

With a third wave of the pandemic sweeping across the country, Marico is prioritising health, safety and security of its members and a return to work-from-home modality and a roster basis attendance. The company hopes to face no supply chain disruptions with lockdowns.

With the current price increases of daily essentials and inflation rates, maintaining a smooth supply of essential consumer products is critical to manage out-of-stock situations and ensure price stability in the market, it added.

# Oil prices rise on supply fears

## REUTERS, Tokyo

Oil prices rose on Monday on worries about supply disruption amid rising tensions in Eastern Europe and the Middle East, which could make an already tight market even tighter, while OPEC and its allies continued to struggle to raise output.

Brent crude futures rose 58 cents, or 0.7 per cent, to \$88.47 a barrel by 0742 GMT, reversing a 0.6 per cent loss on Friday.

US West Texas Intermediate (WTI) crude futures gained 57 cents, or 0.7 per cent, to \$85.71 a barrel, having fallen 0.5 per cent on Friday.

Both benchmarks rose for a fifth week in a row last week, gaining around 2 per cent to hit their highest since October 2014. Prices are already up more than 10 per cent this year on the concerns over

tightening supplies. "Investors remained bullish due to geopolitical risk between Russia and Ukraine as well as in the Middle East, while OPEC+ continued to fail to reach its output target," said Kazuhiko Saito, chief analyst at Fujitomi Securities Co Ltd.

"An expectation for higher heating oil demand in the United States amid cold weather also added to pressure," he said.

Fuelling fears of supply disruption in Eastern Europe, the New York Times reported late on Sunday that US President Joe Biden was considering deploying several thousand US troops to NATO allies in Eastern Europe and the Baltics.

Russia will face severe economic sanctions if it installs a puppet regime in Ukraine, a senior British government minister said on Sunday, after Britain accused the Kremlin of seeking to place a pro-Russian leader in power there.

# Panasonic to invest \$700m to produce batteries for EVs

## REUTERS, Tokyo

Japan's Panasonic will begin producing its new lithium-ion battery for Tesla from as early as 2023, with plans to invest about 80 billion yen (\$705 million) in production facilities in Japan, the Nikkei reported on Monday.

The powerpack could help make electric vehicles (EVs) more attractive to motorists by extending cruising range by about a fifth, the Nikkei reported, without saying where it obtained the information.

"We are studying various options for mass production, including a test production line we are establishing this business year. We don't, however, have anything to announce at this time," Panasonic said in a statement sent to Reuters.

Panasonic unveiled the 4680 format (46 millimetres wide and 80 millimetres tall) battery in October. At around five times as big as batteries it currently supplies to Tesla, it is also expected to help the US electric vehicle maker lower production costs.

Panasonic will make the 4680 batteries at a plant in Wakayama prefecture in Western Japan, with output of less than 10 gigawatt hours a year, equivalent to around 150,000 vehicles, the Nikkei said.

Panasonic is the sole maker of the more advanced Tesla battery, ensuring it remains a key supplier to the US company, at least for its pricier models, even as the EV maker seeks out battery suppliers in China and elsewhere.

# \$1.58b FDI

## FROM PAGE B1

Shipyards Group will make the investment. Damen plans to supply vessels to 17 nearby countries.

Contacted, BSEC Chairman Md Shahidul Hoque Bhuia said a huge amount of foreign investment would flow in for shipyard construction.

"We will start working on the technical issue by next week," he said, adding that the Bangladesh University

of Engineering and Technology and the Islamic University of Technology will provide technical support to the BSEC to examine the feasibility report.

Damen Group Senior Director (naval projects) Eef van den Broek and Damen Group Asia Pacific Regional Sales Director Rabien Bahadoor were present at the programme at the ministry.

# Palm prices seen lower in 2022 on output rise

## REUTERS, Kuala Lumpur

Palm oil prices are set for another year of volatility and tight supply as Malaysia makes slow progress in tackling a labour crunch and government policies on green energy and food security spur demand, a Reuters poll showed.

Benchmark palm prices IFCP0c3 will average 4,000 ringgit a tonne in 2022, down 3.4 per cent from last year's average of 4,142 ringgit, according to the median estimate of a poll of 18 analysts and those in the industry.

Prices, which already hit a record high of 5,380 ringgit a tonne this week, are expected to stay firm during the first half of the year.

"As we move into the low production period, supply is tight, reflecting sustained demand and the structural weakness in palm oil output," said Julian McGill, regional head at LMC International.

Top producers Indonesia and

Malaysia are both expected to see production growth for the first time in three years in 2022, according to the poll. Indonesia's 2022 production is pegged at 48.5 million tonnes, up 3.4 per cent from an estimated 46.89 million last year.

Malaysia's production is forecast at 18.8 million tonnes, up 3.9 per cent from 18.1 million in 2021.

Respondents expect production to build in the second half of the year, especially in Malaysia, when an army of migrant workers is expected to alleviate a labour shortage.

However, La Nina weather conditions and reduced fertiliser applications over the past three years could cap supply gains.

New policies to curb fossil fuel consumption in countries such as Brazil, China and the United States, may lift palm oil demand for use in renewable diesel and biofuel production this year, sources said.

# Particle board market

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reliable data, industry people say around Tk 10,000 crore has been invested in the industry by 15 to 16 big and small-sized factories.

Major manufacturers are Akij Particle Board Mills, Star Particle Board Mills, Super Particle Board Mills, MRS Industries, Amber Boards, Multi Panels, Woodland Plywood & Particle Board Mills, Bengal Plywood Mills, Otobi, Diamond Particle Board Mills, and Maya Particle Board Mills.

The labour-intensive industry has created around 15,000 jobs, directly.

The annual demand for particle boards is 76 crore square feet and the consumption is expected to continue in the coming years as a result of rapid

urbanisation.

Shahriar Zaman, manager for marketing of Akij Particle Board Mills, says the demand for particle board is on the rise thanks to the lower price compared to wooden furniture as well as their use in interior designing at corporate offices.

Of the total consumption of particle boards in Bangladesh, 54 per cent is used in the furniture sector and the rest in interior designing by commercial or corporate clients.

The burgeoning housing and furniture sectors have contributed hugely to the growth of the particle board market.

"When a sector develops, the backward linkage also develops. So, the particle board market is growing in keeping with the furniture

sector," said Selim H Rahman, chairman and managing director of Hatil Furniture, one of the largest furniture manufacturers in Bangladesh.

Faizur Rahman Khan, managing director of BTI, one of the leading real estate developers, says his company uses doors made up of particle boards at flats.

# Qcoom refunds

## FROM PAGE B1

number and by February, a Central Complaints Management Cell, he said.

AHM Shafiquzzaman, additional secretary to the ministry, said a five-member committee has been formed to settle refund issues of other e-commerce companies.

Shomi Kaiser, president of the e-Commerce Association of Bangladesh, also spoke.



A farmer is seen carrying a portion of his harvest from a Kataribhog paddy field in Dinajpur sadar upazila. Demand for the aromatic variety of rice rose recently, ensuring better prices for growers this year. The picture was taken recently.  
PHOTO: KONGKON KARMAKER

## Rice farmers delighted at Kataribhog's price hike

**"Seeing this year's success, I am now willing to increase Kataribhog rice cultivation next season," said Ratan Roy, a farmer of Kougaon village under Dinajpur sadar upazila**

**KONGKON KARMAKER**  
Farmers in Dinajpur who cultivate aromatic Kataribhog rice are now delighted at prices having substantially increased recently as demand has gone up. While this is a blessing for growers, consumers are expected to feel the pinch in their grocery budgets. Dinajpur Kataribhog is recognised as a Geographical Indication (GI) product of Bangladesh. According to World Intellectual Property Organisation, the GI is a sign used on products that have a specific geographical origin and possess qualities or a reputation that are due to that origin. Depending on quality, each kilogramme is now retailing for between Tk 98 and Tk 110, according to traders in Bahadur Bazar and Rail Bazar Hat, the two largest wholesale rice markets in Dinajpur town. Kataribhog rice can only be grown in specific areas of Dinajpur's Sadar, Chirirbandar and Kaharole upazilas once a year, according to officials of the Department of Agricultural Extension (DAE) in the district. Farmers and the DAE officials in Dinajpur claim that the district has been producing Kataribhog rice for over a century, although no reliable

data was available. And even though Kataribhog is a highly sought-after variety of rice, farmers often opt to cultivate other crops for various reasons. This includes price fluctuations in the market, low production levels and slow sales, farmers said, adding that Kataribhog rice cultivation was on the decline as growers do not always get adequate prices for



their produce. Still though, a handful of farmers have been growing the rice for generations and will continue to do so for the foreseeable future. About a decade ago, farmers from all over Dinajpur collectively took up around 5,000 hectares of land in the district to grow Kataribhog rice

but now, the cultivation area has fallen to 1,500 hectares. This year though, the price has bounced back, renewing hopes among farmers for better things to come. At least 2.61 lakh hectares of land in the district were brought under Aman paddy cultivation this year, say the DAE officials. Of the total land, 83,851 hectares is being used to grow aromatic varieties of rice but Kataribhog

was cultivated on just 1,400 hectares. During a recent visit to different paddy markets, including Gopalganjhat, Farhat, Panchbari and Ambari, this correspondent found that a 75 kg bag of Kataribhog paddy was being sold for between Tk 5,000 to Tk 5,200 depending on quality, including moisture

content. Last year, each 75-kg bag of the rice cost just Tk 3,000 to Tk 3,200. "To get the current rates is rare," Hatem Ali, a farmer of the Fasiladanga area in Dinajpur sadar upazila, told The Daily Star. Abdul Zabbar of Mukundapur village under Chirirbandar upazila, said he and other farmers have been growing Kataribhog rice on their land for generations but were deprived of even modest rates in most seasons. So, the cultivation area gradually declined but the current season was much more profitable for farmers that stuck around as they got a better rate, he added. "Seeing this year's success, I am now willing to increase Kataribhog rice cultivation next season," said Ratan Roy, a farmer of Kougaon village under Dinajpur sadar upazila. Habibur Islam, joint secretary of the Dinajpur chapter of Bangladesh Economic Association, said farmers in the district were reducing the cultivation area. "But the sudden price rise increased farmers' confidence in the crop," said the official of the body of economists which makes recommendations on major  
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## Jazeera Airways eyes expansion in Bangladesh Says its vice-president

DWAIPAYAN BARUA, Ctg

Jazeera Airways plans to keep expanding its footprint in Bangladesh, particularly in its second-largest city of Chattogram, as it targets to serve a huge number of expatriates from the region currently living and working in Kuwait. "Though we started operations in Dhaka right in the middle of the coronavirus pandemic, we saw a very good demand as there are 200,000 Bangladeshi nationals living and working in Kuwait," said Bharathan Ravindran, vice president for sales of Jazeera Airways, during an interview with The Daily Star.



He was in the port city yesterday, along with Andrew Ward, vice president for marketing and customer experience of the airline, to launch a direct service between Chattogram and Kuwait. An inaugural ceremony was held at the Radisson Blu Chattogram Bay View Hotel. Kuwait's leading low-cost private airline launched its direct service to Dhaka in October 2020.

The new service with three flights a week -- on Mondays, Wednesdays and Fridays -- between the two destinations offers a chance to Kuwait-bound migrant workers and other passengers to avail themselves of direct flights from Chattogram after a long gap.

The inaugural flight arrived at the Shah Amanat International Airport at 8:45am with fully loaded with 156 passengers and departed at 9:45am with the same number of passengers. The airline started its operations on the Dhaka-Kuwait route with three flights a week. It is now running daily operation.

Ravindran says the demand has been very steady since the beginning of the service. "We have been able to manage a very high load factor in Dhaka."

The success of the Dhaka-Kuwait route prompted the airline to roll out its second service in the country.

"In fact, it has exceeded our expectations in terms of seat factor. We were able to achieve a success that we predicted could have taken three to four years. We managed to achieve that in a year time and that has encouraged us to fly into Chattogram as well," Ravindran said.

Chattogram is the second-largest city of Bangladesh. And there are a lot of people from this part living and working in Kuwait.

"So, we see a huge opportunity here and we would like to seize that being the only operator between Kuwait and Chattogram," said Ravindran. Andrew Ward says the Kuwait-Chattogram route was not served before.

"So, it now really makes a lot easier for Bangladeshis to get into Kuwait or those who in Kuwait to get back home rather than going through an indirect route which could take up to nearly 15 to 20 hours of travelling because the connectivity is very poor."

The travel time would be five and a half hours to six hours, according to Ward.

Ravindran says the market in Chattogram is big enough for them to run two flights daily.

"Currently, it is about 200 passengers a day on the route, but there is potential that it can go over 300 passengers a day."

**"Though we started operations in Dhaka right in the middle of the pandemic, we saw a very good demand as there are 200,000 Bangladeshis living and working in Kuwait."**

## Euro zone recovery weakens further amid Omicron curbs

REUTERS, London

The euro zone economic recovery weakened further this month as renewed restrictions imposed to contain the Omicron coronavirus variant put another dent in bloc's dominant services activity and as prices continued to soar, a survey showed on Monday.

With the variant sweeping across Europe governments have been encouraging citizens to stay home and avoid socialising or meeting in groups.

IHS Markit's Flash Composite Purchasing Managers' Index, seen as gauge of overall economic health, dropped to 52.4 in January from 53.3 in December, its lowest since February and below the 52.6 predicted in a Reuters poll.

That headline number was affected by the services PMI, which dropped to a nine-month low of 51.2 from 53.1. Although above the 50-mark separating growth from contraction it was well below the Reuters poll estimate for 52.2.

"The Omicron wave has led to yet another steep drop in spending on many consumer-facing services at the start of the year, with tourism, travel and recreation especially hard hit," said Chris Williamson, chief business economist at IHS Markit.

With customers staying home, growth in demand for services almost dried up. The new business index sank to 50.8 from 52.5, its lowest reading since April last year just before parts of the economy reopened after a stricter lockdown.

Consumers were also hit by rocketing prices. The composite output prices index matched November's survey high, and comes after inflation hit a record last month, likely adding pressuring on the European Central Bank to tighten policy.



A sculpture depicting the euro currency symbol by German artist Ottmar Hörl is seen in front of the former European Central Bank headquarters building in Frankfurt am Main, western Germany, on December 22, 2021.

PHOTO: AFP

## Philips sales hit by Covid, respirator recall

AFP, The Hague

Dutch health technology firm Philips posted big drops in fourth quarter sales and profit Monday, as a faulty respirator recall and supply chain issues weighed on the company.

The Amsterdam-based firm, which last year sold off its domestic appliance arm to focus on medical equipment, said sales came in at 4.9 billion euros (\$5.5 billion) in October through December, a 10 percent drop compared to a year earlier. Fourth quarter profits fell from 607 million euros to 151 million euros.

"Sales were impacted by several headwinds," Philips chief executive Frans van Houten said in a statement.

These were "supply chain challenges, postponement of equipment installations in hospitals related to Covid-19, and the consequences of the Respiration field action," Van Houten said.