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Textile millers expect bumper SALES THIS EID

Confidence of businesses rises as Covid-19 peters out

REFAYET ULLAH MIRDHA

Local textile millers are expecting bumper sales in the upcoming Eid-ul-Fitr, the biggest shopping season in Bangladesh, since people are apparently set to celebrate the festival joyously as Covid-19 has petered out.

Two mega-events, namely Eid-ul-Fitr and Pahela Baishakh, which celebrates the first day of the Bengali calendar, make up the biggest shopping season in the country.

But spinners, weavers, dealers, wholesalers, and retailers across the country could not make a good business because of on and off countrywide lockdowns in the last two years because of the higher prevalence of coronavirus caseloads, dampening the mood of the people.

But this year might be different as infections have declined sharply and only one person died because of the virus yesterday, the first death in five days.

The improvement in the coronavirus situation in recent months has restored the confidence of businesses, and textile millers are sanguine as most of the local consumers buy clothes to celebrate the occasions.

Spinners start selling yarns to weavers more than two months before the start of Ramadan as weavers target to finish the production of fabrics a lot earlier so that they can supply the finished goods in the first week of the fasting month, which begins next week.

Weavers are now at the end of their sales of textiles as Eid-ul-Fitr is only a month away. Many are still busy making the textile material and will send them to the stores in Baburhaat, Shekherchar and Gausia in Narsingdi, Belkuchi in Sirajganj, Tangail, Chattogram and other major wholesale hubs across the country.

More than 2,500 power looms are running at full capacity alone in Madhabdi, Chowala, Baburhaat, Shekherchar as well as Araihaaz of Narayanganj to produce fabrics.

Usually, textile millers sell fabrics like saris, lungis, and salwar kameez and the fabrics used in making trousers and shirts worth Tk 25,000 crore in the run-up to the Eid-ul-Fitr festival alone.

Of the amount, nearly Tk 1,500 crore worth of fabrics are donated as part of Zakat, said Monsoor Ahmed, chief executive officer of Bangladesh Textile Mills Association (BTMA).

Zakat refers to the obligation that an individual has to donate a certain proportion of wealth each year to charitable causes.

"I am expecting a very good sale this year as the Covid-19 situation has improved," said

Helal Mia, chairman of Amanat Shah Group, a clothing maker that sells saris and lungis in bulk quantity.

"The sales have been on the rise for the last six months thanks to the full reopening of the economy."

Almost 35 per cent of the products made ahead of Pahela

Baishakh last year remained unsold, but weavers are hopeful this year that they will be able to clear all of the goods.

Khorshed Alam, chairman of Little Group, a spinner, says products aimed at the Eid-ul-Fitr market have already been made and sales would soon pick up.

The annual consumption of fabrics in Bangladesh is 692 crore metres considering the current population of the country. The value of the quantity is \$9.02 billion and nearly 20 lakh people are directly employed in the primary

textile sector, according to Mohammad Ali Khokon, president of the BTMA.

However, the sales ahead of Pahela Baishakh, which falls on April 14, may not fully recover since the event will be celebrated in the middle of Ramadan.

The sales ahead of Pahela Baishakh, which fetches Tk 1,500 crore to Tk 2,000 crore for clothing sellers every year, will be 40 per cent of the pre-pandemic level because of Ramadan.

"But the preparation for both festivals is going on in full swing," Khokon said. Meanwhile, higher yarn price

has emerged as a headache for the primary textile sector. Spinners have raised the price of yarn by as much as 60 per cent since August, owing to the price hike of cotton in the international market for the demand surge.

The item may become costlier after the supply chain disruption caused by the Russia-Ukraine war sent the price of cotton to more than a decade high last week. Bangladesh relies on global markets for cotton amid scanty local production.

As a result, many cottage and small fabrics mills, dyers and weavers are struggling to run their operations despite the business recovery.

"The high price of cotton is affecting the profitability of the clothing business," said Mia of Amanat Shah Group.

Helal Mia
Chairman of Amanat Shah Group

BY THE NUMBERS

Eid-ul-Fitr sales of clothing items fetch Tk 25,000cr

Zakat clothing sales stand at around Tk 1,500cr

Pahela Baishakh sales range from Tk 1,500cr to Tk 2,000cr

Annual clothes consumption 6.92b metres valued at \$9.02b

35pc clothing items remained unsold last Pahela Baishakh

SALES REBOUNDED

- Spinners, weavers, wholesalers and retailers could not make good business for Covid-19
- Local textile millers are expecting bumper sales this Eid-ul-Fitr

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BSCIC looks to utilise 500 vacant plots

SUKANTA HALDER

The Bangladesh Small and Cottage Industries Corporation (BSCIC) is scheduled to publish newspaper advertisements today, seeking applications from entrepreneurs to allot 500 plots lying vacant for years in its industrial estates.

According to BSCIC sources, a Gopalganj estate has the highest number of vacant plots (131), followed by one in Moulvibazar (119), Chuadanga (50), Jhalakathi (43), Barguna (40), Madaripur (38) and Khagrachari (33).

Though the BSCIC says the estates have all the necessary utility services in place, many in reality lack proper roads and security services, resulting in the lack of interest from entrepreneurs.

Some entrepreneurs seek to deviate from conditions set in allotments and abandon the plots when they are unable to do so, a BSCIC official said.

Gaurab Das, assistant general manager of the BSCIC's Gopalganj office, said their estate is comparatively new with the works being completed in December 2020.

Of 138 plots, seven have been allocated, he said.

He said though many entrepreneurs had not shown interest for the Covid crisis, a turnaround may come about once the notification is published as there were many more who had expressed genuine interest.

The BSCIC had published another advertisement on August 24, 2021 mentioning 913 vacant plots.

BSCIC Chairman Mahbubor Rahman said most of the vacant plots were in estates established between 2017 and 2019.

He too blamed the pandemic and similarly expressed hope on the notification bringing results in a month or two.

Benefits Interested candidates have to apply with their respective district BSCIC offices within the next 45 days by paying 20 per cent of the value of the plot.

Entrepreneurs can either make a single payment of the remaining amount or pay it in 10 instalments over five years.

The plots will be allotted through a "district plot allocation committee". Each plot is leased out for 99 years.

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STOCKS		
DSEX ▲	CSCX ▲	
0.24%	0.07%	
6,758.16	11,871.02	

COMMODITIES		
Gold ▼	Oil ▼	
\$1,935.1	\$105.31	
(per ounce)	(per barrel)	

ASIAN MARKETS				
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▲ 0.10%	▼ 0.73%	▲ 0.54%	▲ 0.07%	
57,593.49	27,943.89	3,431.99	3,214.50	

Improve ease of doing business for more trade

British MP urges govt

DIPLOMATIC CORRESPONDENT

The UK wants Bangladesh to improve the ease of doing business and governance as it looks to have a stronger trade and investment partnership with the country, a British lawmaker said yesterday.

"Good governance is an important framework where our businesses operate," British Prime Minister's Trade Envoy for Bangladesh Rushanara Ali told journalists at a briefing at the British high commission.

She began a week-long visit to Bangladesh yesterday and held meetings with the officials of the Bangladesh Investment Development Authority (BIDA) and the Bangladesh Securities and Exchange Commission.

She is scheduled to meet with the officials of the commerce, foreign, and education ministries and the Prime Minister's Office.

Ali said she is eager to boost trade with Bangladesh and create awareness among UK companies about Bangladesh, a rising economy and a large market. The areas of investment are varied and include finance, banking, education, and services.

"We want to make sure that our trade partnership creates more jobs. The economic growth also needs to be inclusive and that people are not left behind."

Asked about the challenges British companies face in Bangladesh when it comes to making investments, she said legal and bureaucratic procedures need to be simpler. At the same time, the UK also considers the issues of human rights and democracy as they build

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Hundreds of millions of people around the world, including Bangladesh, Nepal and different parts of Southeast Asia and Africa, suffer from seasonal poverty and acute deprivation, often associated with a pre-harvest lean season.

PHOTO: MOSTAFA SHABUJ

Cash support can help poor in lean season

Say experts

STAFF CORRESPONDENT, Ctg

Cash transfer or temporary loans can be helpful for extremely insolvent families during the pre-harvest lean season, characterised by seasonal poverty and famine known as "monga", speakers told a discussion.

There has been improvements to the situation resembling "monga" but it still remains an important problem, they opined.

They were addressing a public lecture on "Innovation to address seasonal poverty" organised online by the Bangladesh Institute of Development Studies (BIDS).

Ahmed Mushfiq Mobarak, a professor of economics at Yale University, delivered the lecture based on his research.

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