

Singer to invest Tk 680cr in new factory

STAR BUSINESS REPORT

Singer Bangladesh, a home appliance manufacturer and marketer, yesterday said it is going to invest Tk 680 crore to establish a new manufacturing facility to cater to the growing demand for home appliances.

Following the company's disclosure, its shares closed 1.67 per cent higher at Tk 170 yesterday at the Dhaka Stock Exchange.

Singer Bangladesh said its board approved a total budget of 71 million euros, which is estimated to be equivalent to Tk 680 crore, for establishing the new manufacturing facility.

The investment will be financed from internal sources and bank financing from both foreign and local sources.

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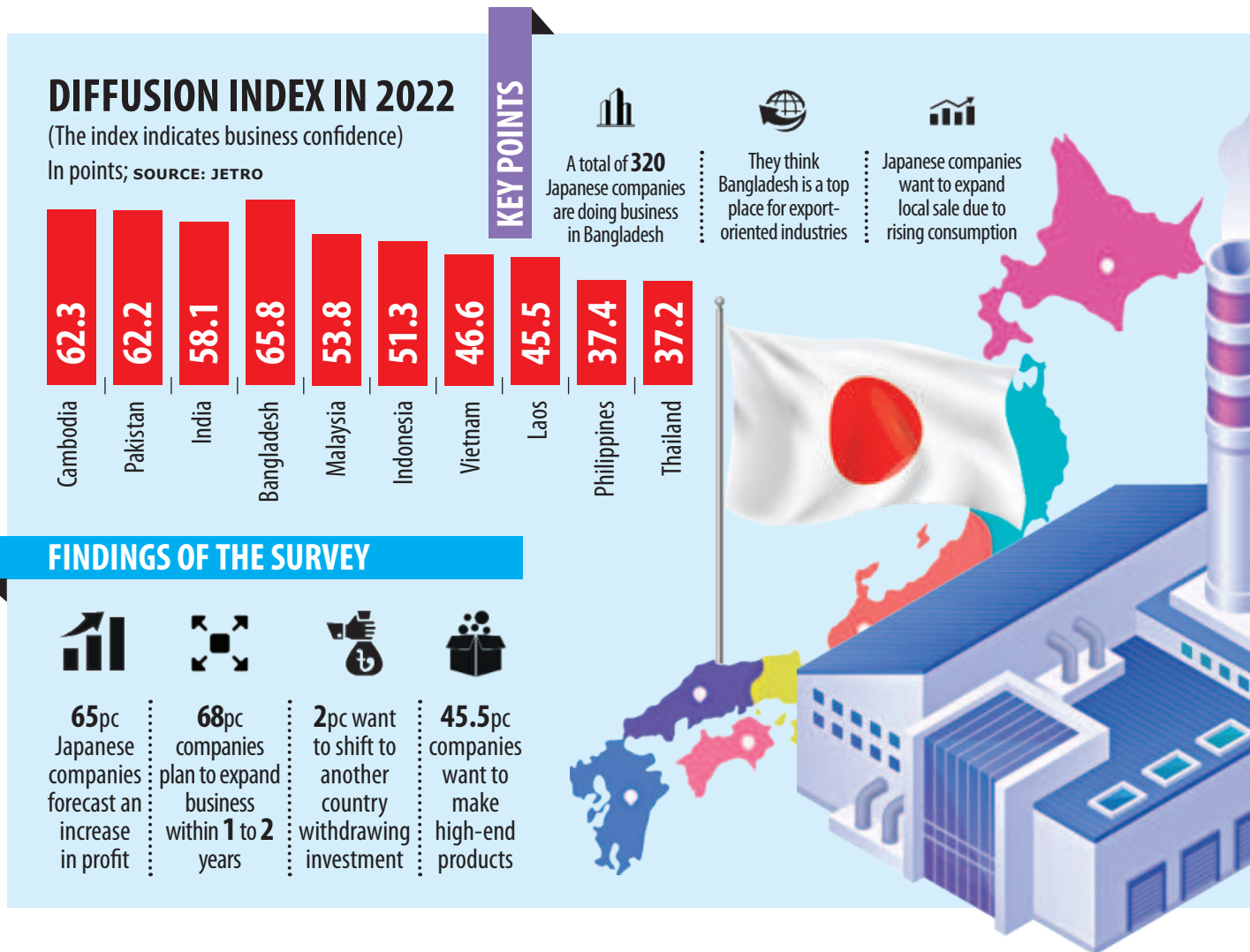
"The proposed manufacturing facilities would cater to the increasing local demand with a competitive price and would also contribute to the company's growth," said Singer Bangladesh Ltd, which is owned by Retail Holdings Bhold BV, a concern of Arcelik AS, the largest home appliances company in Turkey.

Kazi Ashiqur Rahman, company secretary of Singer, said they would update investors whenever there is any progress.

The electronics and home appliance seller posted Tk 1,581 crore in sales in 2021, up from Tk 1,495 crore the previous year, despite losing sales opportunities due to the worsening coronavirus situation at the beginning of the second quarter.

"There were effectively no sales for 73 days in 2021 as the government declared countrywide lockdowns from time to time. Consequently, we missed the seasonal sales of summer, Eid-ul-fitr, and Eid-ul-Adha," Singer said

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Most Japanese firms eye profit this year

MAHAMUDUL HASAN

Around 65 per cent Japanese companies operating in Bangladesh think that they would be able to make a profit in 2022 as the coronavirus pandemic situation has improved, according to a survey of the Japan External Trade Organisation (Jetro).

This contrasts to 43.2 per cent of the companies that were profitable last year.

Bangladesh was ranked fourth in terms of business confidence for 2022, up five notches from 2021, said the "2021 Jetro Survey on Business Condition of Japanese companies operating in Asia and Oceania with focus on Bangladesh".

Yuji Ando, the country representative of the Japanese agency, released the survey report at a programme at the Pan Pacific Sonargaon hotel in Dhaka yesterday.

Bangladesh is forecast to come third in terms of profit growth among all countries and regions.

The Jetro said 68 per cent of companies are planning to expand their businesses in the next one to two years, up from 41.8 per in the year prior. The increase would take the number to almost to the pre-pandemic level.

Two per cent of the firms want to relocate to another country after withdrawing investments, down from 3 per cent in 2021.

A total of 320 Japanese companies are doing business in Bangladesh and the number has risen in recent years due to the continuous economic growth in the past decade and huge business potential.

Those expressing intent to widen their footprint cite growth potential and sales increases for the plans.

Some 54.6 per cent of companies are willing to expand the function of sales, 45.5 per cent plan to go for the production of high-value products, and 27.3 per cent for making general-purpose products.

More than 15 per cent of companies intended to expand research and development activities to drive their business growth.

The survey report describes Bangladesh as the top place for export-oriented industries, with the ratio of exports to total sales by Japanese companies standing at 65.4 per cent.

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Mobile operators buy Tk 10,645cr spectrum

Hopes high for better internet speed, voice services

MAHAMUDUL HASAN

The country's four mobile phone operators bought 190 megahertz (MHz) of spectrum for \$1.23 billion or Tk 10,645 crore yesterday, a development that could alleviate customers' woes centring agonisingly low internet speeds and subpar voice services.

Participated by Grameenphone, Robi, Banglalink and Teletalk, the spectrum auction at InterContinental Dhaka set two records in terms of revenue generated and the amount of spectrum sold.

The government offered a comparatively lower price and a big amount of radio spectrum, which is pivotal for the operators to deliver a better user experience.

In a Bangladesh Telecommunication Regulatory Commission (BTRC) survey last year, the operators failed to maintain the standard 4G speed of 7 mbps. Complaints have also piled up with the regulator over call drops, voice breaking up and delays in

connecting calls.

Yesterday's auction came to a close at a stunning pace of only one hour, with market leader Grameenphone buying 60 MHz in 2600 band for Tk 3,361 crore.

The same was done by Robi, the second largest operator.

sale of 27.4 MHz for \$885.35 million in an auction last year, when the base rates were \$27 million and \$31 per MHz for 2100 band and 1800 band respectively.

Alongside spectrum fees, the operators will have to pay a 15 per cent VAT.

to 80 MHz and Teletalk's 25.2 MHz to 55.2 MHz.

"In this auction, we emphasised more on handing over the spectrum to operators than the revenue earning so that customers get better services," said BTRC Chairman Shyam Sunder Sikder.

"Now operators have enough spectrum to ensure quality services. So they should now roll out the spectrum swiftly and give the customers the proper service as soon as possible," he said.

The telecom operators welcomed the auction and embraced the outcome as the technology neutral spectrum suitable for both 4G and 5G will help them expand their 4G network with better connectivity and accelerate 5G readiness.

"Further strengthening customer experience and improving our quality of service are important priorities for us. As we roll out the new spectrum, customers will enjoy an improved 4G experience," said Yasir Azman, CEO of

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Banglalink took 40 MHz in 2300 band for Tk 2,241 crore while state-run Teletalk 30 MHz in the same band for Tk 1,681 crore.

Up for sale was a total of 220 MHz spectrum in 2,300 MHz and 2,600 MHz bands at a base rate of \$6 million per MHz. The remaining 30 MHz spectrum in 2300 band remained unsold. The previous record was the

Now the operators will have to deposit 10 per cent of the spectrum price within 60 days and the remaining can be paid off in equal instalments over nine years. The spectrum was sold for 15 years.

The new acquisition took Grameenphone's total spectrum from 47.4 MHz to 107.40, Robi's 44 MHz to 104 MHz, Banglalink's 40 MHz

BATBC to invest another Tk 574cr in Savar plant

STAR BUSINESS REPORT

The British American Tobacco Bangladesh Company (BATBC) yesterday decided to invest another Tk 574 crore in its Savar operations to cater to upcoming export opportunities and create contingency capacity.

The cigarette maker had invested Tk 514 crore in the same factory back in 2021 to increase its production capacity.

"With an eye on future exports, the board has approved an investment of about Tk 574 crore to further expand the Savar factory's production capacity," said Sheikh Shabab Ahmed, head of external affairs at BATBC.

"We believe with the improved capacity we will be equipped for any future demand," he added. After this decision was made public, stocks of BATBC rose 0.65 per cent to Tk 584 at the Dhaka Stock Exchange.

In 2021, the company's net turnover rose 24 per cent to Tk 7,487 crore, up from Tk 6,029 crore the previous year, according to its annual report.

In the same period, the London-based company logged profits of Tk 1,496 crore, which was 37.5 per cent higher than that of 2020.

BATBC has cigarette factories in Dhaka and Savar, a green leaf threshing plant in Kushtia, a green leaf re-drying plant in Manikganj, and a number of leaf and sales offices throughout the country.

Even in the face of the Covid-19 pandemic, BATBC ensured shipments of export orders for tobacco leaves to customers across 17 overseas destinations in 2021.



Bags meant for sale abroad being manufactured at a factory inside Mongla Export Processing Zone (EPZ), where 32 factories are operating at present employing 8,165 workers. Construction of the Padma bridge and increased activities at the Mongla port, the country's second largest seaport, less than a kilometre away have attracted several investors to establish facilities in the EPZ, which offers land and other services at lower prices than major EPZs in Dhaka and Chattogram. The photo was taken recently.

PHOTO: HABIBUR RAHMAN

ADB to give \$143m to accelerate growth

STAR BUSINESS REPORT

The Asian Development Bank (ADB) has approved a \$143 million loan package to support the government of Bangladesh's efforts to accelerate growth by improving efficiency, predictability, and security of cross-border trade.

Bangladesh has been carrying out trade facilitation strategies to enhance export diversification and competitiveness by improving the quality of exports, signing bilateral trade and investment cooperation agreements and promoting trade through better coordination among border agencies and private stakeholders.

"ADB's assistance supports the government's goal of accelerating economic growth through industrialization and

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