The display centre of Denim Expert Limited, which is located at the Karnaphuli Export Processing Zone in the port city of Chattogram, is filled with an array of denim products manufactured by the apparel exporter.

PHOTO: RAJIB RAIHAN

Denim Expert going after perfection, innovation

DWAIPAYAN BARUA, *Ctg*

Rather than going for mere expansion, Chattogram-based denim exporter Denim Expert Limited wants to attain perfection in its product and innovation as well as achieve environmental sustainability in order to turn the facility into a model factory.

Its Managing Director and CEO Mostafiz Uddin shared this last week in an interview with The Daily Star.

Denim Expert, which designs and develops products on its own and serves international buyers, is planning to invest Tk 200 crore in the near term to expand its business. It has targeted to raise the daily production of trousers to 25,000 pieces from the current capacity of 15,000 pieces.

"The plan is not aimed at expanding the capacity merely -- it is more about sustainability," said Mostafiz.

The entrepreneur is planning to take steps like installing advanced low liquid washing machines to consume 60 per cent less water compared to conventional laundries, introducing nanotechnologies to save water, chemicals and energy, and setting up solar panels and a biological water treatment plant to remove polluting organic and inorganic compounds.

Denim Expert also aims to put in place energy-saving machinery to cut energy use.

"My ultimate dream is to turn this factory into a model factory," Mostafiz said.

Starting its journey in 2009 with about 700 workers at the Karnaphuli Export Processing Zone in the port city, Denim Expert is continuously developing its self-design cells in an effort to produce new designs for its clients, mostly European and American.

The factory has been carrying out 100 per cent designs in its own design and development cell for the last 12 years and kept on enhancing this knowledge.

"We know how to deliver a new dress to the client," he said.

Rather than growing his factory into a bigger one, Mostafiz said Denim Expert is more poised to achieve perfection. Denim Expert is comparatively a small factory having 2,000 employees but has several pioneering footprints.

It is the first Bangladeshi manufacturer that joined the United Nations Framework Convention on Climate Change, the country's first company to join the Sustainable Apparel Coalition, and the first Bangladeshi contributor to the ZDHC Foundation, which is driving improvement in the management of textile chemicals globally.

In 2020, Denim Expert was recognised as 'New Champion' by the World Economic Forum for its extraordinary performance in sustainability and inclusivity.

The company has also become the first firm to employ transgender people and make education free for its women workers, who account for 70 per cent of its workforce.

"We may be small compared to many others, but we are stronger than others in terms of product innovation capability, diversification, social and environmental sustainability," Mostafiz said.

According to him, Denim Expert has some core values and wants to grow by maintaining these values.

"This has been the first job for most of the employees in our factory and many of them have climbed up to senior positions," he said.

He feels that there has to be a roadmap or strategy to achieve the target of $100 billion from exports from the country's readymade garment sector by 2030.

The Bangladesh Garment Manufacturers and Exporters Association has set the target.

Denim Expert regularly takes part in international fairs to promote Bangladesh. Since its inception more than a decade ago, it has participated in 42 expositions.

Owing to higher demand, denim product manufacturers in Bangladesh have outrun their Chinese counterparts in Europe and the US, the two major export destinations for Bangladesh.

Apex Footwear's profit jumps over 31pc

STAR BUSINESS REPORT

Apex Footwear Limited's profit jumped more than 31 per cent year-on-year in the financial year that ended on June 30, 2022.

The company reported earnings per share of Tk 11.70 in 2021-22, which was Tk 8.92 a year earlier.

The EPS went up thanks to an increase in local sales by 15.06 per cent compared to last year, said the footwear manufacturer in a post on the Dhaka Stock Exchange (DSE) yesterday.

Net asset value per share improved to Tk 252.95 from Tk 244.58, owing to a rise in the non-current assets and current assets in 2021-22 compared to 2020-21.

But the net operating cash flow per share fell to Tk 32.93 from Tk 145.24 a year earlier. The decrease was due to a significant increase in payments against materials purchase, increased inventory, and account receivables, said the post.

Apex Footwear's board recommended a 35 per cent cash and a 10 per cent stock dividend for 2021-22.

The stock dividend has been recommended so as to utilise its retained amount as paid-up capital with a view to improving the capital adequacy.

Shares of the company rose 1.97 per cent on the DSE yesterday.

How do we make public enterprises accountable?

MAMUN RASHID

Whether it is semi-controlled or self-censored media, corridor discussions or even Transparency International Bangladesh reports, we have been hearing about corruption in the public enterprises and inaction by the subsequent governments for the last many years.

At Brac University, we once invited the then chairman of the parliamentary standing committee on public undertakings. Even the chairman himself expressed his dismay about audit delays in public enterprises for many years, with annual reports even being prepared too late, not depicting real pictures, long pending inaction against audit findings, or even no action against corruption by officials holding public-interest offices.

Our leading media, civil society members, senior officials of the Anti-Corruption Commission (ACC), and even public representatives have been demanding critical scrutiny into financial irregularities unearthed by several public offices, including the government's own watchdog institution, the Office of the Comptroller and Auditor General (OCAG).

Irregularities in the Bangladesh Telecommunications Company Limited (BTCL) arrested our attention recently. The latest on the CAG list is Petrobangla.

According to a media report based on CAG findings presented in parliament in June, the state coffer has been robbed of nearly Tk 5,000 crore due to the irregularities around dozen companies under Petrobangla between 2014-15 and 2016-17 and in two companies of Bangladesh Petroleum Corporation (BPC), another alleged player, in 2013-14.

This was done through 19 counts of irregularities. These, though often heard, include purchasing goods and services at inflated prices, flouting procurement instructions of the finance ministry and the National Board of Revenue, and disregarding the Gas Sales Rules 2004 and 2014, Bangladesh Gas Act 2010, Public Procurement Act 2006, and Public Procurement Rules 2008. Recently, we were also surprised to see the banks where BPC parked its term deposits.

Of the near Tk 5,000 crore lost, Petrobangla's failure to deposit the national exchequer's portions of the VAT and supplementary duties collected from gas distribution companies alone cost the Treasury more than Tk 4,500 crore. The outstanding amount reportedly remains unpaid to date. One may ask: Where did the money go? Can such a huge sum of money simply vanish? If not the state coffers, whose coffers did it go to? Petrobangla did offer some justifications about its usage, none too convincing though.

Before Petrobangla, we've had CAG investigation reports on the BTCL, the Directorate General of Food, the Directorate General of Health Services, public hospitals and other healthcare facilities, the ministries of agriculture and fisheries and livestock, and of course the BPC, the last so immersed in corruption that even the parliamentary standing committee boss was shocked. Their inclusion is by no means selective, nor is their mismanagement a total shock, given how frequently the media reports on such corruption.

Added to the above is: How are these quasi-govt institutions being run? Who is being appointed to these important public-interest institutions? How is their accountability being reviewed and ensured?

Maybe we need few public institutions to draw balance with profit-focused private institutions, but of course, not so corrupt, inefficient or personal rent-seeking public officials running inept public intuitions. It also warrants a thorough over-hauling of the archaic model being used to run public institutions.

The author is an economic analyst.

Germany builds new gas terminals

Will succeed Russian pipelines

AFP, *Germany*

Germany's most strategically important building site is at the end of a windswept pier on the North Sea coast, where workers are assembling the country's first terminal for the import of liquefied natural gas (LNG).

Starting this winter, the rig, close to the port of Wilhelmshaven, will be able to supply the equivalent of 20 per cent of the gas that was until recently imported from Russia.

Since its invasion of Ukraine, Moscow has throttled gas supplies to Germany, while the Nord Stream pipelines which carried huge volumes under the Baltic Sea to Europe were damaged last week in what a Danish-Swedish report called "a deliberate act."

In the search for alternative sources, the German government has splashed billions on five projects like the one in Wilhelmshaven.

Altogether the new fleet should be able to handle around 25 billion cubic metres of gas per year, roughly equivalent to half the capacity of the Nord Stream 1 pipeline.

At the site in Wilhelmshaven, the half-finished concrete platform emerging from the sea sprays workers in fluorescent yellow vests with a fine mist.

Back on solid land, a constant stream of lorries delivers sections of grey pipe, which should relay the terminal to the gas network.

LNG terminals allow for the import by sea of natural gas which has been chilled and turned into a liquid to make it easier to transport.

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The construction site of the Uniper liquefied natural gas terminal at the Jade Bight in Wilhelmshaven on the North Sea coast, northwestern Germany, is pictured on September 29. The terminal for the import of LNG is planned to come online at the end of 2023. Germany is looking to wean itself off Russian pipeline imports and secure supplies for future winters by diversifying natural gas supply sources.

PHOTO: AFP/FILE

India's gas oil, gasoline sales surge for festival

REUTERS, *New Delhi*

Gasoline and gas oil sales by Indian state refiners rose sharply in September from a year earlier, signalling a pick-up in industrial activity ahead of the festive season from this month, preliminary sales data showed.

Local fuel demand - a proxy for oil demand in Asia's third largest economy - regularly slows during the four-month monsoon season from June.

State-refiners' average daily gasoline sales rose 1.3 per cent from August and was up 13.2 per cent from a year earlier, the data showed.

Sales of gas oil in local markets increased by 4.6 per cent from the previous month and by 22.6 per cent from a year ago, the data shows.

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