



WALK THE TALK



Engineer Abu Noman Howlader

Chairman, BBS Cables Ltd

With remarkable development in transmission and distribution infrastructure, Bangladesh has made considerable progress in the previous 13 years in providing power to the entire country.

Our industry has so far benefited from current government policies. At the moment, we are primarily concerned with meeting domestic demand. We want to export our products even though the global market is extremely competitive, primarily because of Chinese and Indian companies. I would urge the government to support manufacturers who wish to export cables by rebating taxes by at least 10 percent. If the government approves it for five years, I believe we can build a robust sector during this time.

Since its inception, BBS cables has been committed to maintaining its products to international standards. The fact that our cables are currently being utilised in the Karnaphuli Tunnel in Chattogram is proof of our commitment to quality.



A.K.M. Ahasanul Haque

Chief Operating Officer,
Partex Cables Ltd

The cable industry in Bangladesh grows by 10 to 15 percent annually. As power generation has increased 10 times, the cable industry has expanded.

Now that underground cable networks must be built in our cities, where open spaces are quite scarce, the potential use of high-quality cables is clear.

We ensured our products were of the best quality when Partex Cables Ltd started commercial production in 2017. As a result, every year, we increase our share by 4 percent on average, and this year we anticipate an 8 percent increase.

We hope the government will set policies that will encourage us to export our goods and expand. We import raw materials from abroad by paying huge tax. So, if the government could come through with a temporary tax rebate, our cable industry would receive a significant boost.



Mahboob Hossain Mirdah

Director & CEO, RR-Imperial
Electricals Ltd

The widespread power distribution is not possible without a thriving local cable industry. The cable business is now worth over Tk 10,000-12,000 crore, up from Tk 6,000 crore in 2017.

Our raw material costs have nearly doubled. Therefore, to develop this industry, I would appeal to the government for zero duty or a reduction of the duty fee in the case of importing raw materials.

Additionally, we want support to put an end to substandard and fake cables because they have the potential to cause devastating incidents. We should prioritise purchasing skin-coated cables and flame-retardant (FR) Cables.

RR Imperial Electricals LTD has introduced for the first time in Bangladesh FR and skin-coated technology since 2012. I want the government to mandate FR and skin-coated technology for all electrical cables. We can save lives and preserve the nation's resources by doing this only.



Rakib Ahmed

Head of Marketing,
Bizli Cables

As the government has declared 100 percent electrification all over the country, cable industries have the scope to grow exponentially. Many big investors and companies are investing in this industry to meet national requirements. Currently, most of the cable required in Bangladesh is produced and marketed by local manufacturers, except for some specialised cables and extra-high-voltage cables. Within a short time, Bangladeshi manufacturers can also provide these cables.

This industry has much scope, but the raw material price fluctuation makes it challenging to increase profitability. Therefore, the government should give a level playing field by providing the same facility in duty and tax on imported materials and machines. We also need cash incentives on exports so that Bangladeshi manufacturers can export products.

Rise of electrical cable business shows big export potential

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These projects include construction of the Matarbari Power Plant, a third terminal at the Hazrat Shahjalal International Airport, and numerous initiatives of the Bangladesh Power Development Board and Dhaka Electric Supply Company.

For example, Bangladesh will have to source the required electrical cables from Japanese companies for any project being financed by Japan as per conditions in the related agreement.

As such, foreign companies supply cables worth around Tk 2,500 crore every year even though local companies are capable of providing the same products.

Kamruzzaman Kamal, director of marketing at Pran-RFL Group, said rapid urbanisation, electrification and industrial growth in the country has created a good domestic market for electrical cables.

"We set up a factory with brand name Bizli at Habiganj in 2014 with the production capacity of 2,000 tonnes of electrical cables a month. We are producing all kinds of cables like fire retardant and also anti termite cables for underground use," he added.

Kamal, whose company has invested Tk 200 crore in the industry, then said the sector has a lot of potential considering its commendable growth so far.

He hopes the business will have a lot of export potential in the future as many companies are either expanding or pouring in fresh investments for setting up new plants to serve both the domestic and foreign markets.

Rabiul Alam, chairman of EnergyPac Power Generation, said a new factory under the company will start producing 200 tonnes of electrical cables each month from December this year.

Alam said his company is entering the market as the demand for electrical cables has been growing at a fast rate.

The government's aim for 100 percent electrification across the country has helped the domestic

electrical cable market grow, he added.

However, there is uneven competition between local and international companies in the participation of international bidding for mega projects.

This is because local companies do not enjoy duty benefits against those contracts for supplying cables to the government while foreign

electrical cables has fallen significantly due to higher local production. As such, the percentage of imports being used is now only 15 percent for specialised purposes.

Ishtiaque Chowdhury, senior executive of brand marketing at RR Kabel, said some unscrupulous traders are damaging the sector's image as they sell non-branded low quality products in the name of good brands.

"We, in collaboration with law enforcing agencies, are trying to identify the traders who are involved in trading low-quality cables in this manner," he said, adding that both brands and customers are being cheated by such dishonest business practices.

Chowdhury also said that RR Kabel, which produces 600 tonnes of cables per month and holds 10 per cent of the market share, is eligible to start exporting its products.

ABM Arshad Hossain, president of the Bangladesh Electrical Cables Manufacturers Association, said the industry has grown fast over the last five years because of the government's 100 per cent electrification initiative.

As a result, rural areas have eventually turned into a very big market for electrical cables apart from industrial units.

The industrial use of electrical cables has also been increasing at a fast pace not only for the rising number of industrial units, but also because of complexities in the nature of industries.

Previously, industries needed normal cables but now they need finer electrical cables due to a change in their nature, Hossain said.

In the household category, modern flats and apartments need more electrical cables compared to older buildings. Overall, consumption of electrical cables has increased in the country.

In addition, many local industries are expanding production while new investments are coming in big amounts to the country as the demand is increasing, he added.

The electrical cable businesses have a bright future in Bangladesh as domestic demand is rising everyday. However, some conditions in the implementation of government development projects are impeding the sector's growth. If the government extends the required facilities and support, then the electrical cable industry could become a very big export sector as well.

companies do.

As a result, foreign companies can easily out bid local ones in the tender process.

So, the government should make an even competition for both domestic and international companies for a fair competition, Alam said.

Still though, the use of imported



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