



Nurseries such as this have been hit hard by the ongoing economic uncertainty, which has increased production costs while reducing people's purchasing power. As a result, nurseries across the country have seen a significant drop in sales in recent months.

PHOTO: HABIBUR RAHMAN

Nursery sales see massive drop

SUKANTA HALDER and MD ASADUZ ZAMAN

Nurseries across Bangladesh saw a massive drop in sales in the last four months due to the rising cost of living along with higher production costs and low rainfall.

According to nursery owners, the hike in labour, fertiliser and transport costs has increased their overall production costs. As a result, prices of their plants have inflated between 5 and 50 per cent while sales have declined by 25 to 30 per cent.

Mainul Islam, manager of the Sabuj Bangla Nursery in Dhaka's Agargaon, one of the biggest nurseries in the capital, said sales have decreased by about 30 per cent in the last four months compared to the same period in 2021.

"The rising cost of living and higher price of plants are among the reasons behind the decline in sales since April this year," he said.

"In the current situation, we are fearing that sales may fall further in the coming days," Islam added.

Mohammad Alauddin, general manager of the Barishal Nursery in Savar, said they are suffering for low demand.

"Last year, we sold around one lakh saplings, but it may fall drastically. We were compelled to hike prices due to the increase in production cost," he added.

Alauddin went on to say they would buy a truckload of soil for Tk 2,400 in 2021 but the price has since reached Tk 3,500 at present. At the same time, the price of one van of cow dung has increased from Tk 4,000 to Tk 5,000.

Mohammad Khokon, managing director of Diploma Krishibid Nursery at Sher-E-Bangla Nagar in Dhaka, said their sales have decreased 25 per cent in the same period.

Labour costs have grown by 15 per cent while fertiliser prices shot up by 15 to 25 per cent in the last ten months, Khokon added.

SM Shahnewaz Momtaz Chowdhury, senior manager (nursery) at BRAC's head office, said retail sales have fallen by 20 per cent in the last few months due to the current situation and lower rainfall.

Currently, BRAC operates 15 nurseries

that are located across Bangladesh.

According to the Bangladesh Meteorological Department, the average rainfall in July was 211 millimetres (mm), which was 57.6 per cent lower than the average rainfall in that month for the last 30 years and lowest since 1981.

The average 30-year rainfall was 496mm.

In 2020, it was 553mm, which was 11.3 per cent higher than the average, while it was 471mm, or 5.1 per cent lower, last year.

Following the economic shocks brought on by Covid-19, sales of nurseries operated by corporations have reached 60 per cent of pre-pandemic levels while that of NGOs has recovered fully, Chowdhury said.

Nazrul Kabir, general secretary of the Bangladesh Nursery Owners Association (BNOA), said there is an organised market for plants, saplings and trees in many developed countries but there is no such market in Dhaka.

"If the government takes the initiative to set up an organised market, it will bring good for this sector and the environment,"

he added.

Meanwhile, nursery sales have also decreased outside Dhaka.

Moloy Lal Dhar, owner of Sylhet Nursery at Dariapara in Sylhet, said sales have halved due to the rise in living costs.

"People who used to buy trees worth Tk 1,000 earlier are now buying trees worth Tk 400-500 a month," he added.

Abdur Rashid, manager of the Shanta Nursery located next to the Forest Department Laboratory in Chattogram's Sholshahar area, said the sale of fruit cultivated in rooftop gardens has decreased a lot.

At the same time, the sale of fruit bearing and forest trees is also low.

Similarly, the sale of saplings has come down a lot compared to before, according to many nursery traders in Chattogram.

As per BNOA data, about Tk 250 crores worth of plants are sold annually in the country and over one lakh people are employed by the sector.

There are more than 18,000 registered nurseries in the country, according to the Department of Agricultural Extension.

Provide support to mitigate economic crisis

Businesspeople urge govt

STAR BUSINESS REPORT

The apparel industry and other major export sectors of Bangladesh are being left with unsold products due to reduced buying orders from abroad, according to various businesspeople.

Orders have decreased significantly in most garment factories across the country, which is a major concern as the segment accounts for some 80 per cent of the country's export earnings.

"So, the government needs to take immediate action to mitigate the current economic crisis," said Shahidullah Azim, vice-president of the Bangladesh Garment Manufacturers and Exporters Association.

One of the major root causes of this crisis is the country's lack of foreign reserves. So, if export-oriented sectors are provided with proper support it is obvious that they can in turn earn remittance for the country," he added.

Azim was speaking at a conference on the "Current Economic Situation Worldwide: Challenges and Action Plans", organised by the France-Bangladesh Chamber of Commerce and Industry (CCIFB) at The Westin Dhaka yesterday.

Hossain Khaled, managing director of Anwar Group, said they strongly believe that if businesspeople work together and address these problems, they can be solved. "The damage is still not done and so, it is still manageable," he added.

Khaled said that it is not the time to focus on economic growth as cost cutting should take priority. This includes improving the efficiency of factories, ports and other sectors to optimise local resources. The government on Wednesday reached a preliminary agreement with the International Monetary Fund (IMF) over a \$4.5 billion loan programme, putting to bed all suspense on whether a deal would be struck with the multilateral lender.

"We have secured some financing with a policy that we don't know yet but knowing the IMF, I hope they have put in place some safeguards and adjustments to make the situation more stable," said Ahsan H Mansur, executive director of the Policy Research Institute.

STOCKS	
DSEX ▲	CASPI ▲
0.05%	0.10%
6,353.76	18,763.06

COMMODITIES	
Gold ▲	Oil ▼
\$1,706.45	\$85.15
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.69%	▼ 0.98%	▲ 0.24%	▲ 0.39%
60,613.70	27,446.10	3,173.18	3,036.13

Money transfer

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transfer of money from one MFS to another. If any MFS wants to charge more, it can," said a senior official of Bangladesh Bank. The interoperability is going to start more than a decade after MFS was launched in Bangladesh. At present, 13 MFS operators are providing services to more than 18 crore account holders who are transferring nearly Tk 3,000 crore daily.

The government earlier took the initiative to make all accounts of banks, MFS and payment system providers (PSPs) interoperable to allow people to transfer funds effortlessly within the financial sector on a real-time basis and at lower costs.

As the IDTP establishes the interoperability among banks, MFS operators and PSPs, it will give a major boost to cashless transactions.

Following the start of Binimoy, people will not need to open accounts with every MFS operator to transfer money. One MFS or bank account will be enough as money can be moved across MFS platforms and banks.

"It is going to give huge freedom in payment. One can transfer funds or pay at any time to anyone," the central bank official said.

Initially, three MFS operators — bKash, Rocket and mCash, and one wallet Tallykhata — are expected to join the platform along with 10 banks, namely the state-run Sonali Bank, Islami Bank, Pubali Bank, BRAC Bank, City Bank, Mutual Trust Bank, Eastern Bank, UCBL, Al Arafah Islami Bank and Midland Bank, he added.

Trousers

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become the single largest export destination for Bangladesh's garment items, led by trousers.

The item accounted for 34.02 per cent, or \$14.50 billion, of the total garment export value of \$42.61 billion in the last fiscal year, according to the Bangladesh Garment Manufacturers and Exporters Association. Receipts from trousers shipment stood at \$9.36 billion and \$10.68 billion in 2019-20 and 2020-21, respectively.



The Institute of Chartered Accountants of Bangladesh (ICAB) organised a rally in front of CA Bhaban in Dhaka yesterday to celebrate the International Accounting Day 2022. Md Shahadat Hossain, president of ICAB, led the rally attended by CA members and students from different CA firms, public and private universities. Professor Md Muinuddin Khan, former chairman of the department of accounting and information systems of the University of Dhaka, Abdul Mannan Shikder, president of the accounting alumni, and Shubhashish Bose, chief executive officer of ICAB, were present.

PHOTO: ICAB

Waive surcharge of United Airways

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in that regard. They will use the airline as a cargo carrier," he added.

Islam also said the new clients plan to sell the company's old aircraft and purchase new cargo aircraft.

"But we couldn't bring buyers as the airline owes several crores of taka to the CAAB as surcharge," he said, adding that they have requested the prime minister to give instructions to the respective ministries to waive the surcharge.

The BSEC chairman also said those who will buy the airline will pay the principal dues the airline owes to the CAAB. The premier then instantly asked her secretary to give instructions to the respective ministry in this regard, Islam added.

Asked, ATM Nazrul Islam, managing director of United Airways, said it is good news that the prime minister has taken initiative to waive the surcharge.

"It was the main obstacle behind

reviving the airline as CAAB would get huge amounts of money from the airline as surcharge while the principal amount is around Tk 60 crore," he added.

According to the BSEC, its net due to the CAAB is around Tk 56.87 crore, with a value-added tax of Tk 5.65 crore and an income tax of Tk 2 lakh.

The remaining Tk 292.81 crore was counted as a surcharge at an annual rate of 72 per cent. The debt is swelling every year due to the compound surcharge method. The BSEC said the airline cannot pay the debt as it currently has nothing but a few unusable aircraft.

To look into the reasons for the private airline's collapse, the stock market regulator had formed an inquiry committee on September 5 as a last-ditch attempt to restart its operations.

The commission intends to conduct an investigation into the issues surrounding the suspension

of operations, reconstruction of the board of directors, resumption of operations, and trading pattern of United Airways securities since its debut on the stock exchanges.

Meanwhile, the BSEC recently decided to appoint a special auditor to conduct a special audit of United Airways' financial statements for fiscal years 2012 to 2021.

Established in 2005, the company was listed on the Dhaka Stock Exchange (DSE) in 2010. In February 2016, it ceased flight operations without any announcement amid mounting losses due to massive irregularities and corruption by its directors.

To revive the airline, the BSEC took a series of measures. Its board was restructured on February 28, 2021, and eight independent directors were appointed on March 4 that year.

In January last year, the company was sent to the over the counter (OTC) market due to its terrible performance.

Money changers Profit falls

can't hold over Tk 50 lakh

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of the US dollar sprinted to Tk 120 recently in the open market.

The BB official said that money changers were also involved in the manipulation of the exchange rate.

The taka lost its value by more than 23 per cent against the US dollar in the past one year.

Several teams from the central bank, along with members of an intelligence agency, carried out raids on some money changers in the capital.

The BB also suspended the licences of at least five money changers and served show-cause notices to around 40 for their alleged involvement in the manipulation of the exchange rate.

JMI to import

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The present prices of sugar were 45 per cent higher year-on-year.

Cabinet Division Additional Secretary Syed Mahmud Khan briefed the media virtually about the procurement decisions after the meeting.

BB to publish net forex

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15-day mission of an IMF team to Dhaka.

The BB chief said the central bank maintains reserves in a transparent manner. And the loans given to the exporters are for 120 days so that they can be liquidated at any time.

"When the reserves were at \$48 billion, the EDF was also included there," he said, adding that the central bank will start publishing gross and net reserves in 'due course'.

According to BB officials, the central bank will publish the reserves

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chief financial officer of Square Pharmaceuticals.

"So, our profits were not impacted. Operational excellence has also influenced the performance."

The pharmaceuticals sector, which meets 97 per cent of the local demand, witnessed a 12.1 per cent compound annual growth over the last five years.

The market size was Tk 27,500 crore as of June 2021, according to an analysis of UCB Asset Management.

Pharmaceuticals exports stood at \$83 million in the January-June period, almost unchanged from the same period a year earlier, data from the Export Promotion Bureau showed.

Foreign sales, however, rose finally, fetching \$188 million in 2021-22, up more than 11 per cent from \$169 million a year earlier.

And analysts hope that exports from Bangladesh may cross \$1 billion within the next two to three years as the door to the US market, the world's largest, has opened for some drug makers because of their high level of compliance.

If local manufacturers can tap the opportunities in the US market, the value may cross even \$5 billion within the next five to six years, they say.

figure in the balance of payments statement, which is released on a monthly basis.

An official said the BB plans to release the gross and net foreign exchange reserves figures from January 2023.

"We have already given the respective department the task to work on the matter," he said.

The IMF has also advised the central bank to reduce financial sector vulnerabilities and defaulted loans, strengthen oversight and governance and develop capital markets.