



### PRIVATE ECONOMIC ZONES THINGS TO KNOW

- Total zones:** 12 (running and under-construction)
- Investment proposals:** \$4.26b so far
- Investment realised so far:** Around 70%
- First one in the country:** Meghna Economic Zone
- Commercial production running at:** 20 factories
- Factories under-construction:** 35

### CHALLENGES THEY FACE

- Not getting gas connections
- Facing bureaucratic complexities in getting utility services
- Beza one-stop service not fully effective

### RECOMMENDATION

PMO should issue order to expedite utility connection

## Meghna Group of Industries, TK Group enter rice milling

SOHEL PARVEZ

Meghna Group of Industries (MGI) and TK Group, two major commodity processors in Bangladesh, are set to enter into the milling and marketing of rice, a move that may intensify competition but drive small operators out of the market.

MGI has established an automatic rice and rice bran oil plant in Bogura, a northwestern district, with an investment of Tk 700 crore. TK Group has already bought land in another northwestern district of Naogaon to set up a rice mill.

MGI looks to begin marketing rice in the middle of 2023, said its Chairman and Managing Director Mostafa Kamal yesterday.

"We had been marketing rice through contracts for the last couple of years and we have gained the confidence of customers. Now, if we buy paddy and mill the grain on our own, we will be able to provide better quality to our customers."

**MGI has established an automatic rice and rice bran oil plant in Bogura at Tk 700 crore, while TK Group has already bought land in Naogaon to set up a rice mill**

Tanvir Food Ltd, a concern of MGI, has established the mill with an annual production capacity of 3.5 lakh tonnes.

According to Kamal, MGI will make rice bran oil to sell in both domestic and export markets.

TK Group plans to launch rice milling by the end of 2023.

"We will operate both in parboiled and aromatic rice segments. We plan to market rice in packaged form, but in bulk," said Md Shafiul Ather Taslim, director of TK Group's finance and operation.

Bangladesh is the third-biggest rice producer in the world and produces 3.8 crore tonnes of rice annually. Farmers sell the grains in the market after keeping a portion for their own consumption.

Nearly 18,000 automatic, semi-auto and husking mills and thousands of traders operate in the supply chain, according to insiders.

In recent years, a number of big players -- City Group, Akij and ACI Ltd -- entered into the milling and marketing of parboiled rice. Pran, Square, Bangladesh Edible Oil and several others market aromatic rice.

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Masrur Reaz

## Private economic zones gasping for gas

They lament utility service providers' bureaucratic delays

Ensure full infrastructure facilities at EZs Says an economist

JAGARAN CHAKMA

Operators of private economic zones in Bangladesh should review their infrastructure and logistic masterplans to ensure the maximum utilisation of the existing facilities, according to M Masrur Reaz, chairman of the Policy Exchange of Bangladesh.

"It is also crucial to ensuring that multiple businesses have access to the facilities rather than a single large investor," he said in a recent interview with The Daily Star.

He emphasised better connectivity and warehouse management to maintain a smooth supply chain for raw materials and finished products.

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JAGARAN CHAKMA

Developers of a number of private economic zones are finding it hard to implement plans for a lack of gas connections.

They apprehend that the entrepreneurs are drawing in to invest in setting up factories inside the zones would incur losses if they cannot start operations at the earliest.

Even the Bangladesh Economic Zones Authority (Beza) has expressed frustration at the shortcomings.

Up until now, 12 private economic zones have got the final approval to start running operations.

Over the past six years, their developers have been able to draw investment proposals amounting to \$4.27 billion from local and foreign entrepreneurs.

The proposals involve sectors such as automobile, chemical, pharmaceuticals, light engineering, hospital, plastic, edible oil and food.

More than 20 factories are already into commercial production and exporting products from Meghna, City, Abdul Monem,

Bay and other economic zones, according to the Beza.

Another 35 are under construction and are expected to go into commercial production within one and a half years.

Sirajganj Economic Zone,

Hossain said he faced bureaucratic delays when working with other government service providers.

Investors do not want to waste time but the reality is different in Bangladesh. Starting a business



situated around 155 kilometres northwest of Dhaka, sought gas connections from Pashchimanchal Gas Company two years ago.

The utility service provider is yet to take any initiative, the zone's director, Sheikh Monowar Hossain, told The Daily Star recently.

"We have allocated land to 18 factories but they cannot start running for the absence of gas connections," he said.

is a severe hassle here due to bureaucratic delays, said Hossain. "We have taken a licence from the Beza to create employment in the northern area of Bangladesh through industrialisation but our efforts are yet to become a success."

However, Hossain, also the chairman of Sirajganj Trade International, lauded the Beza for being proactive in promoting investment in the zone.

Another industrial area that is

yet to get gas connections from state-run Titas Gas Transmission & Distribution Company is Abdul Monem Economic Zone, situated around 49 kilometres southeast of Dhaka.

Already two investors have established factories here, said the zone's managing director, ASM Mainuddin Monem.

One of them is Bangladesh Honda Private Limited, a joint venture of Honda Motor Company Limited, Japan and state-run Bangladesh Steel and Engineering Corporation. The factory is manufacturing and assembling motorcycles for the local market.

The zone aims to be home to environment-friendly factories dealing with high-value garments, textile and apparel, electronics, ICT, food processing, plastic, furniture, pharmaceuticals, and light engineering.

An official of the Meghna Group of Industries, which has three private economic zones, said they had submitted applications and paid necessary government fees over the last couple of years.

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STOCKS	
DSEX ▲	CASPI ▲
0.44%	0.54%
6,291.30	18,558.20

COMMODITIES	
Gold ▲	Oil ▲
\$1,936.1	\$81.94
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.06%	▲ 1.46%	▲ 0.54%	▲ 0.76%
60,978.75	27,299.19	3,293.71	3,264.81



Fair Technology Limited at its factory at the Bangabandhu Hi-Tech Park in Kaliakoir of Gazipur has already produced 100 units of Hyundai Creta, officials said.

PHOTO: COLLECTED

## Local production to cut Hyundai SUV price by 21%

STAR BUSINESS REPORT

Fair Technology Limited, the assembler of Hyundai in Bangladesh, said it would offer locally made Creta, a sport utility vehicle (SUV), at Tk 34.50 lakh to customers, nearly 21 per cent lower than the price of the imported ones.

Fair Technology initiated the production at the Hyundai automobile factory in Dhaka's northern district of Gazipur last week and the cars have already hit the showroom.

The company, which has formed a strategic partnership with the South Korean car maker to establish the manufacturing facility in Bangladesh, made the disclosure at a press conference at Hyundai 3S Center in the capital.

"The price is very competitive," said Mutassim Daiaan, director and CEO of Fair Technology.

Hyundai Creta customers will get warranty benefits for five years or up to one lakh kilometres mileage, up from three years for imported cars. The company is also offering a buy-back facility in order to boost customer confidence.

Fair Technology guarantees a buy-back facility of up to 60 per cent of the purchase price within three years of the buying of the car or if the customer has driven it less than 40,000 kilometres, Daiaan said.

Hyundai is the third automobile brand that began making cars in Bangladesh in the last couple of years thanks to VAT and tax benefits offered by the National

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## Digital fair kicks off tomorrow

MAHMUDUL HASAN

The three-day Digital Bangladesh Mela 2023, where more than 50 telecom and ICT companies will showcase their products and services, is all set to kick off at the Bangabandhu International Conference Center in Dhaka's Agargaon tomorrow.

Prime Minister Sheikh Hasina is expected to inaugurate the fair through a video message.

"The main aim of this fair is to highlight the progress of Digital Bangladesh with technology and connectivity," said Telecom Minister Mustafa Jabbar.

"We started the fair in 2020 but were unable to organise it for the last two years due to Covid-19. This time, we will show how connectivity can improve peoples' lives," he added.

The main theme of this year's fair is "Digital Bangladesh: Empowering Lives".

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A partial view of the Chattogram port. Businesses now cannot import products as per their needs owing to banks' inability to supply adequate dollar.

PHOTO: STAR/FILE

# DCCI for adequate dollar support for banks to pay for imports

## STAR BUSINESS REPORT

The Dhaka Chamber of Commerce & Industry (DCCI) has urged the Bangladesh Bank to support commercial banks with adequate foreign exchange supply to help them settle letters of credits (LCs) with a view to keeping the market of essentials stable during Ramadan.

DCCI President Md Sameer Sattar made the call when the board of directors of the chamber called on Bangladesh Bank Governor Abdur Rouf Talukder at the central bank office on Monday, according to a press release of the chamber.

Bangladesh is facing a serious dollar shortage as escalated imports have driven down the foreign currency reserves. So, businesses can't go ahead with required imports to feed the economy owing to banks' inability to supply the American greenback needed.

The central bank has restricted non-essential imports to save US dollars. Amid the tightening of purchases from external

sources, overall LC opening in Bangladesh slumped 14 per cent year-on-year in July-December. Settlement declined 9 per cent.

Sattar also stated that public-private partnership is crucial to tackling any economic challenge.

During the discussion, Sattar thanked the BB for unveiling a timely monetary policy statement (MPS) that would help both private and financial sectors turn around as the MPS includes some instrumental policies and guidance.

He also hailed the initiative of continuing the re-financing scheme of Tk 50,000 crore for agriculture, cottage, micro, small and medium enterprises (CMSMEs) and import-substitute industries.

Sattar emphasised necessary reforms like easing the documentary requirements for CMSMEs to access finance and, especially, in relation to the credit guarantee scheme for the better interest of the CMSME community.

Besides, he recommended easing the documentation process for young and innovative startups so that they can avail loans easily.

The DCCI chief underscored the need for enhancement of the private sector credit growth to accelerate its contribution in the economic resurgence.

He suggested ensuring good governance to contain the soaring non-performing loans by taking stern measures and fast-tracking loan recovery by focusing on habitual defaulters and bringing in necessary reforms to regulations in the banking sector.

In the press release, Abdur Rouf Talukder said: "We are facing three major challenges now."

The challenges are the ongoing Russia-Ukraine war, the interest rate hike by the Federal Reserve and the recent Covid surge in China.

"Despite these challenges, our economy is quite stable," he said.

The governor also indicated that the current situation of LCs may ease within the next couple of months.

The central bank is relentlessly working through relevant policy measures and actions like lowering the LC margin to ensure seamless supply of essential commodities in the market during the upcoming Ramadan, said Talukder.

Considering the importance of remittance inflow, he mentioned that recently there have been some changes in the process of sending remittance, including the waiver of relaxation of required documents and fees by local banks and engaging mobile financial services to bring money sent home by migrant workers.

As a result, the remittance inflow will increase considerably in future, said Talukder in the press release.

DCCI Senior Vice President SM Golam Faruk Alamgir Arman, Vice President Md Junaed Ibna Ali and members of the board were also present during the meeting.

## Eurozone returns to growth after 6-month crunch

AFP, Brussels

The eurozone economy grew in January for the first time in six months, a closely watched survey showed Tuesday, raising hopes that Europe will avoid a recession this winter.

The S&P Global Flash Eurozone purchasing managers' index (PMI) rose to 50.2 in January from 49.3 in December. A figure above 50 indicates growth.

The European economy has benefited from lower inflation, improved supply chains and the recent reopening of China's Covid-scattered economy, leading to increased optimism for 2023.

"The survey undoubtedly brings welcome good news to suggest that any downturn is likely to be far less severe than previously feared and that a recession may well be avoided altogether," said Chris Williamson, S&P's chief business economist.

He said the survey suggested "a nadir was reached back in October, since when fears over the energy market in particular have been alleviated by falling prices, helped by the warmer than usual weather and generous government assistance".

But Williamson warned the region was "by no means out of the woods yet" as demand continues to fall, albeit at a slower rate than before.

The single currency area's largest economy, Germany, also benefited from the easing of supply chain pressure which helped manufacturing, S&P said, and reported improvement with the composite PMI rising from 49.0 in December to 49.7 in January.

But output in France, where activity is driven by domestic consumers and services, fell for a third consecutive month after a sharper drop in services activity.

S&P said output for the rest of the eurozone, made up of 20 countries after Croatia joined in January, also returned to growth.

Inflation in the single currency area remains high at 9.2 percent, but has fallen for two months in a row, boosted by the slowdown in the rate of energy price rises.

S&P's Williamson said however the increase in inflation for goods and services would "add encouragement to the hawks to push for further monetary policy tightening".

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (JAN 24, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 58-Tk 75	-2.21 ↓	3.91 ↑
Coarse rice (kg)	Tk 46-Tk 52	-2.97 ↓	3.16 ↑
Loose flour (kg)	Tk 58-Tk 60	-5.6 ↓	66.2 ↑
Lentil (kg)	Tk 100-Tk 105	0	3.54 ↑
Soybean (litre)	Tk 168-Tk 170	0.3 ↑	14.58 ↑
Potato (kg)	Tk 25-Tk 30	22.22 ↑	66.67 ↑
Onion (kg)	Tk 30-Tk 35	-13.33 ↓	18.18 ↑
Egg (4 pcs)	Tk 40-Tk 45	14.86 ↑	16.44 ↑

SOURCE: TCB



Prof Eaysmin Ara Lekha, pro-vice-chancellor of the university, and Shahidul Islam, chief financial officer of Transcom Electronics Limited, sign an agreement on the supply, installation, testing and commissioning of Samsung-branded "VRF Cooling" and "HVAC" systems at the permanent campus of the university in Dhaka recently.

PHOTO: TRANSCOM ELECTRONICS



Muhammad Qaisar Ali, additional managing director of Islami Bank Bangladesh, receives an award from Dr Mashiur Rahman, economic affairs adviser to the prime minister, in recognition of the bank's contribution in collecting remittance at an event at Pan Pacific Sonargaon on Monday.

PHOTO: ISLAMI BANK BANGLADESH



Mohammad Ali, managing director of Pubali Bank, receives an award titled "Branding Bangladesh Beyond Bangladesh" from Dr Mashiur Rahman, economic affairs adviser to the prime minister, in recognition of the bank's contribution in collecting remittance at a programme at Pan Pacific Sonargaon Dhaka on Monday.

PHOTO: PUBALI BANK

## Transcom Electronics, Uttara University ink deal

### STAR BUSINESS DESK

Uttara University and Transcom Electronics Limited recently signed an agreement on installing the state-of-the-art Samsung "VRF Cooling" and "HVAC" systems at the permanent campus of the university.

Prof Eaysmin Ara Lekha, pro-vice-chancellor of the university, and Shahidul Islam, chief financial officer of Transcom Electronics, inked the deal in Dhaka, said a

press release.

This is the single largest project for Samsung brand, bearing a capacity of 1,146.80 tonnes and it will be executed by Transcom HVAC (heating, ventilation, and air conditioning) team.

Prof Dr M Azizur Rahman, vice-chancellor of Uttara University, Sameer Paul, head of business of Transcom HVAC, and other senior officials of both organisations were present.

## Eastern Housing clocks Tk 30cr profit

### FROM PAGE B4

10.50 per cent year-on-year higher profit to Tk 19.51 crore in the October-December quarter. It was Tk 17.64 crore in the same quarter of FY22.

The company reported EPS of Tk 2.09 in October-December of FY23 against Tk 1.89 in the same quarter of FY22.

The net operating cash flow per

share of Eastern Housing was Tk 15.10 in July-December of FY23, down from Tk 17.24 in the first half of FY22.

The net asset value per share rose to Tk 75.84 on December 31 from Tk 74.71 on June 30.

Shares of Eastern Housing surged 9.98 per cent on the DSE yesterday, the highest among the gainers.



Md Afzal Karim, managing director of Sonali Bank, receives an award from Dr Mashiur Rahman, economic affairs adviser to the prime minister, in recognition of the bank's contribution in collecting remittance at an event at Pan Pacific Sonargaon Dhaka on Monday.

PHOTO: SONALI BANK



Md Murshedul Kabir, managing director of Agrani Bank, receives an award titled "Branding Bangladesh Beyond Bangladesh" from Dr Mashiur Rahman, economic affairs adviser to the prime minister, in recognition of the bank's contribution in collecting remittance at a programme at Pan Pacific Sonargaon Dhaka on Monday.

PHOTO: AGRANI BANK



Md Shafiqur Rahman, deputy managing director of Al-Arafah Islami Bank, receives an award titled "Branding Bangladesh Beyond Bangladesh" from Dr Mashiur Rahman, economic affairs adviser to the prime minister, in recognition of the bank's contribution in collecting remittance at an event at Pan Pacific Sonargaon Dhaka on Monday.

PHOTO: AL-ARAFAH ISLAMI BANK

## Simtex Industries' profit rises in first half of FY23

STAR BUSINESS REPORT

Simtex Industries Limited's profit rose to Tk 3.58 crore in the first half of the ongoing financial year, up 4.67 per cent from Tk 3.42 crore year-on-year.

The earnings per share (EPS) were Tk 0.45 in July-December of 2022-23 against Tk 0.43 in the same half of 2021-22, according to the unaudited financial statements.

The profit, however, declined more than 19 per cent to Tk 1.67 crore in the second quarter of FY23.

The producer of sewing thread and yarn dyeing made a profit of Tk 2.07 crore in the identical October-December quarter of FY22. Thus, it reported EPS of Tk 0.21 for the second quarter, which was Tk 0.26 in October-December of FY22.

The net operating cash flow per share rose sharply to Tk 2.55 in July-December from a negative Tk 0.56 in the first half of FY22.

"During the period, the growth of sales increased considerably while the pace of cash collection was comparatively better than the same period of the previous year," said the textile company in a filing on the Dhaka Stock Exchange (DSE).

Besides, due to better rationalisation, the company was able to restrict expenses to some extent. All these drove up the NOCFPS, it said.

## Call for nurturing more IT professionals

STAFF CORRESPONDENT, Ctg

More programmes are needed through both public and private initiatives for building skilled manpower equipped with knowledge of information technology to upgrade the country to a "Smart Bangladesh", underscored speakers yesterday.

They were addressing the concluding ceremony of a three-day 4th Chattogram IT Fair jointly organised by the Chittagong Chamber of Commerce and Industry (CCCI) and Society of Chattogram IT Professionals (SCITP) at World Trade Centre in the port city.

Chairing the programme, CCCI President Mahbul Alam emphasised on bringing all offices, including private business firms, under automation since proper use of information technology was necessary to compete in global trade.

It is high time for acquiring IT based knowledge and proper use of technology, he said, adding that there was no alternative to the IT sector for building skilled manpower.



The plastic industry has gained importance over the last two decades and its growth has multifaceted impacts on many important sectors of the Bangladesh economy, industry people said.

PHOTO: STAR

# Marico's sales, profit growth slows

STAR BUSINESS REPORT

Marico Bangladesh Ltd's sales growth nearly halved in the April to December period compared to a year ago, which affected profits as higher inflation cut people's purchasing power.

The fast-moving consumer goods multinational company, whose financial year begins on April 1, witnessed an 8.22 per cent growth in sales between April and December against more than 15 per cent recorded during the identical nine-month period a year earlier.

As a result, the profit growth faced a slowdown.

The listed company's profits rose 4.9 per cent to Tk 297 crore in the first nine months of 2022-23. It surged 13.6 per cent to Tk 283 crore during the same period in 2021-22.

Thus, Marico Bangladesh reported earnings per share (EPS) of Tk 94.45 in April-December of FY23 from Tk 90.08 in FY22.

In October-December, its EPS was Tk 30.93 against Tk 27.35 in the same three-month period a year ago, according to the financial statements.

"The profit and sales growth slowed

as inflation increased and people's buying capacity was impacted," said Md Sahabuddin, company secretary of Marico Bangladesh.

"As we don't produce basic goods, sales were slightly impacted owing to higher inflation."

**The company witnessed 8.22 per cent growth in sales between April and December against more than 15 per cent in the same period a year earlier**

Inflation in Bangladesh has been at an elevated level since March as commodity prices have gone up sharply owing to a spike in demand globally after the impacts of Covid-19 petered out and the fallout of Russia's invasion of Ukraine.

Inflation stood at 8.71 per cent in December, data from the Bangladesh Bureau of Statistics showed.

"However, Marico's profit and sales rose due to the proper management and continuous endeavour aimed at

minimising costs," Sahabuddin said.

Raw material costs were higher between April and December as the global market price rose and the local currency depreciated against the US dollar, he added.

The taka has lost its value by about 25 per cent against the American greenback owing to the depletion of the foreign currency reserves amid higher import bills in the past one year, Bangladesh Bank data showed.

The cost of goods sold, which is the sum of all direct costs associated with making a product, was 48.7 per cent of Marico's total sales in April-December, up from 45 per cent reported during the same period a year earlier.

Its paid-up capital is Tk 31.5 crore. The net operating cash flow per share of the manufacturer of Parachute-branded coconut oil jumped to Tk 123.01 from Tk 101.75 in the nine months to December.

The net asset value per share rose to Tk 84.81 on December 31 in 2022 from Tk 82.04 on the same day a year earlier.

Marico Bangladesh's shares were unchanged at Tk 2,421.50 on the Dhaka Stock Exchange yesterday.

## Plastic fair from Feb 22 aims for market expansion

STAR BUSINESS REPORT

A four-day 15th International Plastic Fair 2023 is scheduled to be held at International Convention City Bashundhara in Dhaka from February 22 aiming to increase investment and exports through market expansion.

Companies from 21 countries including China, South Korea, Belgium, Canada, USA, France, Italy, Japan, Austria and United Arab Emirates are expected to showcase a variety of products and manufacturing machineries.

The products include household items, packaging materials, moulds, toys, pharmaceuticals, furniture, garments accessories, automobiles and electric and electronic merchandise.

Commerce Minister Tipu Munshi is expected to inaugurate the fair, being jointly organised by the Bangladesh Plastic Goods Manufacturers and Exporters Association and Yorker Trade and Marketing Service Company.

The fair is one of the biggest in Southeast Asia and is expected to play a greater role in the national economy, said the association president, Shamim Ahmed.

The plastic industry has gained importance over the last two decades and its growth has had multifaceted impacts on many important sectors of the Bangladesh economy, for which the government is giving it immense priority, he said.

Manufacturers of various types of plastic products used in the country, including machineries and molds, alongside raw material manufacturers and suppliers will participate in the fair, said Ahmed.

There will also be lively engagements among plastic sector representatives from different countries, said the association.

In Bangladesh, the use of plastics is rising thanks to their durability, lower prices and availability.

About 24 lakh tonnes of plastic items are used every year, with per capita consumption standing at nine kilograms, way lower than the global average of 60kg.

Domestically, plastic products worth about Tk 40,000 crore are annually produced and marketed, said the association.

## Sonali Bank holds view exchange with expatriates in USA

STAR BUSINESS DESK

Sonali Bank virtually organised a view exchange meeting with Bangladeshi expatriates living in the US to open accounts and transactions in proper channels using Sonali e-Wallet and Sonali e-Sheba on Sunday.

Md Afzal Karim, managing director of the bank, attended as chief guest and spoke at the view exchange meeting with Bangladeshi expatriates in the US.

"Expatriates can open a bank account with Sonali Bank and do transactions by using Sonali e-Sheba and Sonali e-Wallet mobile apps and also iOS operating version in their host country," Karim said in his speech.

"They will also avail the transactions of intra bank, interbank money transfer and other services from Sonali Bank," he added.

Karim urged expatriates to open bank accounts and to send remittance through banking channels by using digital services of Sonali Bank.

## Private economic zones

FROM PAGE B1

"But Titas is yet to provide gas connections for a number of factories. We are in uncertainty over when the gas connections would be provided," he said, adding that the factories were left inoperative for this.

This is quite contrary to the government's vision for industrialisation and a bottleneck in the case of doing business.

Investment proposals from home and abroad involving \$1,598.51 million have already come for the three - Meghna Economic Zone, Meghna Industrial Economic Zone and Cumilla Economic Zone.

Situated around 32 kilometres northeast of Dhaka, A K Khan Economic Zone, a concern of AK Khan & Company, is also awaiting gas connections from Titas.

Abul Kasem Khan, a director of the company and a former president of the Dhaka Chamber of Commerce and Industry, hopes that the connections would be provided by the time they complete developing the zone.

City Group, which has three economic zones, has been apparently ahead of the curve, spending money out of its own pockets to establish gas connections for City Economic Zone, which is situated around 32 kilometres southeast of Dhaka.

An official of the group said they did not wait for the government as it could have delayed their plans for rapid industrialisation.

Kishoreganj Economic Zone, a concern of Nitul Niloy Group and situated around 106 kilometres north of Dhaka, also stands out as it has already secured gas connections.

Abdul Matlub Ahmad, chairman of the group, said they took preparations in advance so that the zone could run smoothly.

According to him, investors will not set up facilities if an economic zone lacks utility services.

Though utility service providers are not under the Beza's jurisdiction, it is mandatory for them to support

investors based on the Beza's recommendations as per rules, said Sheikh Yusuf Harun, executive chairman of the Beza.

"We are helping investors wherever they need it to make economic zones lucrative. But we cannot compel the service providers to act."

He suggested investors submit their complaints at the Prime Minister's Office. "No entity can ignore orders of the Prime Minister's Office."

The authority of Sirajganj Economic Zone is yet to respond to some queries of the utility service provider's board which is a prerequisite for the connection to get approval, said Md Shahenur Alam, company secretary of the Pashchimanchal Gas Company.

"This is the reason there has been a delay in establishing the industrial connection."

There is a huge demand for gas from the industrial sector, particularly private economic zones, said Md Lutful Hyder Masum, general manager and company secretary of Titas Gas.

"Gas is not sufficiently available, so connections can't be established immediately. Besides, these industrial connections involve constant supplies of large volumes.

As a result, Titas has adopted a go-slow policy, meeting demand based on priority."

For instance, Masum noted, the Meghna Group of Industries recently received two connections against 11 sought.

"If we could provide gas connections to all, Titas would be able to make a profit and help the industrial sector."

"We have forwarded all applications for connections to the Titas board. We will provide gas to all the industries in phases based on priority."

However, applications will not be approved if companies have unpaid dues against the gas connections availed earlier, the company secretary added.

## Local production to cut Hyundai SUV price by 21%

FROM PAGE B1

Board of Revenue aimed at promoting domestic manufacturing and speeding up industrialisation. Japanese Mitsubishi and Malaysian Proton-branded cars are currently being assembled here.

Rangs Group assembles Japanese brand Mitsubishi Outlander while state-run Pragoti Industries makes Mitsubishi Pajero. Chattogram-based PHP Family manufacturers Malaysian Proton cars.

Fair Tech has set up the factory on two industrial plots at the Bangabandhu Hi-Tech Park in Kaliakoir of Gazipur. It has already produced 100 units of Hyundai Creta, officials said earlier.

Each Hyundai Creta was manufactured using more than 1,000 parts imported from nine countries. Other designs of Hyundai SUVs and sedans will be gradually produced as well.

Initially, the factory will produce 3,000 Hyundai Creta SUVs each year. The number will gradually increase to 10,000 units.

## New jute variety, technologies launched

FROM PAGE B4

Bokhtiar also alleged that the BJRI was slow in conducting research activities.

"Many years ago, the jute genome sequence was decoded by Maqsoodul Alam. It was much relevant for that time. But we don't want to hear this story anymore. We are frustrated with the BJRI," he said.

Md Abdul Awal, director general of the BJRI, presided over the event where Jiban Krishna Biswas, executive director of Krishi Gobeshona Foundation, was the special guest.

## Digital fair

FROM PAGE B1

Bangladesh, Highway of Connectivity".

The main objective is to create public awareness about the need and use of digital technology and connectivity, according to the Posts and Telecommunications Division, which organised the event.

Grameenphone, the top mobile network operator in Bangladesh, will be among the participants.

"We will engage with visitors to showcase the latest in digital connectivity, such as e-sim and 5G use cases," Grameenphone said in a statement.

An official of Robi, the country's second largest mobile network provider, said it would showcase its products and services centring the "digital lifestyle" and enterprise business solutions, where it used artificial intelligence tools.

Ankit Sureka, head of corporate communications and sustainability at Banglalink, believes the event is a great platform to showcase the country's progress in building a robust digital economy.

Huawei, the titanium sponsor of the event, said it is designing its

pavilion with attractive solutions, quizzes and prizes.

The pavilion will be equipped with multiple breakthrough innovations in different frontiers, such as 5.5G, enterprise business solutions, Huawei cloud, and digital power.

Demo sites of smart port and digital power solutions will also be available for the audience along with video illustrations and success stories on the latest innovations.

Apart from these, visitors can join the quiz every two hours and win attractive prizes. On its official Facebook page, Huawei Bangladesh has announced a separate quiz campaign for its fans.

Majjan, chief technical officer of Huawei Bangladesh, said the company has been working in this industry as an enabler of the ICT ecosystem.

"We are always there with our world-class innovative solutions to bring digital services to every person, home and organisation to build a fully connected, intelligent Bangladesh," he added, Majjan then said that carbon neutrality is also an important concern for them as well as Bangladesh's government.

## Meghna Group

FROM PAGE B1

Two rice millers and traders say the entry of another large business house would increase competition in the grain market for paddy and may gradually drive small millers and traders out of the market.

"We will be out at some point. It seems that smaller mills will not be able to survive in the competition," said an automatic rice miller, who has a mill in the north, one of the main rice-producing hubs in Bangladesh.

He blamed the consistent purchase of paddy by some large millers for the high price of the staple in the market currently.

Nirod Boron Saha Chandan, president of the Paddy and Rice Stockists and Wholesalers Association in Naogaon, said: "Small mills will not be able to compete

because of the large capital and investment capacity of big business houses."

"Ultimately, it is likely that the rice market will be at the hands of 20-25 large mills. This may reduce competition. This has implications for employment too."

According to Chandan, an automatic rice mill can process a much higher amount of paddy than a husking mill with almost the same number of workers.

"The government should patronise small husking mills to ensure competition in the market and facilitate jobs."

Kamal, however, disagrees. "Large investment will eliminate the middlemen in the supply chain and allow consumers to get quality grains," he said.

## Ensure

FROM PAGE B1

Reaz, who conducted a study on economic zones in the country, went on to say the concept of private economic zones is to provide an area for planned industrialisation complete with the required utilities.

In Bangladesh, the export processing zones have been successful in this regard, but they are dedicated to export-oriented industries. So, the government developed the concept of special economic zones to address the issue.

Now, these industrial hubs are playing a vital role in catering to domestic and foreign demand while also generating employment opportunities.

But as consumption continues to grow, the government coined the idea of private economic zones to bolster production for both local and international markets.

The 12 private economic zones across Bangladesh have received \$4.27 billion in investment proposals from home and abroad in the past six years. They have created 36,602 jobs so far, data from the Bangladesh Economic Zones Authority (Beza) showed.

The success of the initiative is already apparent as businesses are running efficiently in various private economic zones such as the Meghna Economic Zone and the City Economic Zone.

Reaz describes the private sector as the "engine of Bangladesh's economic growth".

As such, the Beza has brought the private sector to the forefront of industrial development by allowing companies such as Abdul Monem Group, Bashundhara Group, Meghna Group, and City Group to set up their own manufacturing hubs.

But despite these initiatives, businesses in certain economic zones allege that production is being hampered due to inadequate utility services and poor connectivity, among other issues.

"So, the government should ensure smooth utility services for the economic zones on a priority basis in order to reap the full benefits of these industrial hubs," said Reaz.



Workers are seen preparing books for the Amar Ekushey Grantha Mela, a monthlong national book fair held in February each year. While the ongoing global crises have increased production costs, publishers are eyeing better sales in this edition following three years of downturn amid the coronavirus pandemic. PHOTO: PALASH KHAN

# Publishers to set higher prices at Ekushey book fair

They blame rising production costs

MAHMUDUL HASAN and SUKANTA HALDER

Publishers are gearing up for the upcoming Ekushey book fair despite multipronged challenges as a sense of festivity surrounding the monthlong book fair has returned for the first time in three years.

Since 2020, the national event held in February each year has been marred by poor sales amid the economic uncertainty brought on by Covid-19.

And while these trepidations have long past, books will be at least 20 to 30 per cent costlier this year due to the skyrocketing price of paper, according to various publishers.

However, publishers are implementing cost optimisation and lower profit margins so that book prices are lower than what they could be considering how the cost of both 100 gramme and 80 gramme offset paper roughly doubled over the past year.

Many publishers, especially those who sell non-educational books, were hit hard by the pandemic as sales had taken a nosedive in the face of decreased demand for non-essentials at the time.

Besides, low sales in the last three editions of the book fair, the peak sales season for publishers, exacerbated their financial woes to the point that many struggled to survive.

"The last three years has been a tough time for us but still, we are trying to set book prices in a way that will not put pressure on customers," said Dipankar



Das, the owner of Baatighar, a major publisher of non-educational books.

Das is planning to introduce 45 new books at 30 per cent higher prices at the fair.

"We put emphasis on quality books and will print large volumes," he said while explaining their strategy to combat the high price of raw materials.

As usual, Bangla Academy, the organiser of the fair, decided to hold this year's Boi Mela from February 1. The annual event is the largest gathering of readers, writers and publishers in the country.

The 2022 edition was held between February 15 to March 28 with strict Covid-19 restrictions in place as the country was coming off a fresh lockdown in the first two weeks of February that

year.

In 2021, the fair started late on March 18 and ended two days early on April 12 as the government had imposed another countrywide lockdown.

"My hope is that following three years of downturn, this will be a successful fair and our preparation is running on full throttle," said Zakir Hussain, the manager of Prothoma.

The higher cost of paper, ink, electricity, transport and labour have increased the overall production cost by about 40 to 45 per cent this year.

"Still, we have reduced the profit margin significantly to attract customers as most people only buy books after fulfilling basic needs," he added.

Prothoma will introduce 70 books for the fair, down from 97 books in the 2019

edition. Asked about why there are less books on offer, Hussain pointed to the lack of good manuscripts, prominent writers and topic diversity.

"We have to maintain our standard," he said.

Farid Ahmed, proprietor of Somoy Prokashon, said the price of every product has increased due to global crises.

"So, slightly higher book prices will not bother people much but the rise in production cost will reduce our profit margin as the prices were increased relatively less in comparison," he added.

Mahrugh Mohiuddin, managing director of University Press Limited, said the main challenge is to optimise costs as the printing cost is higher than ever.

"We haven't got any government support to face this crisis. Ultimately, customers will have to bear the additional cost, which is unethical. But there is no way to get back the investment without raising prices," she added.

Mohiuddin then said that with the economy being battered by different crises, their main target at the moment is to simply reach the breakeven point.

Arifur Rahman Nayeem, the publisher of Oitijhya, said they are bringing about 200 new books to the fair.

This is the highest number of books to be introduced by Oitijhya in a single year in the 22 years since its inception.

"No matter what the challenges are, we will have a great book fair this year," he added.

## Web 3.0 and the changing business models

ARIJIT CHAKRABORTI

Web 3.0 is an upcoming technology ecosystem which is evolving fast and has the potential to change business models significantly. As the third generation of the world wide web (WWW), it facilitates the metaverse and cryptocurrency while laying emphasis on ownership of data.

The traditional first-generation web was all about static and, in limited instances, dynamic content for only browsing purposes. It was classified as a read-only internet.

With the advent of technology and standards that started enabling user inputs through the internet and the subsequent proliferation of social media, the second-generation web evolved, which is classified as read-write internet. We are now witnessing the third evolution of the internet, i.e., Web 3.0, which can be classified as read-write-own internet.

Unlike the traditional first-generation web, Web 3.0 is not based on one technology, such as Hypertext Transfer Protocol (HTTP)/ Hypertext Markup Language (HTML). Similarly, it is not a one-platform, social media-centred ecosystem like the second-generation web either.

Web 3.0, which is also known as Web3, is rather a convergence of multiple technologies to create a heterogenous ecosystem, with considerable reliance on decentralised data and systems.

Web3 uses various technologies to introduce new functionalities. For example, blockchain is used to introduce new models of ownership, incentive and community. The metaverse introduces new methods of immersive experiences and interactions.

Edge computing helps to augment the processing power beyond the cloud. Finally, 5G and low latency internet help to intensify human-machine interfaces to a whole new level.

With the convergence of such powerful technologies, Web 3.0 is bound to disrupt many businesses and help create several new and innovative businesses. Even if a business remains the same, the respective business model is expected to change due to Web 3.0.

That's why it is important for business leaders to understand the increasing opportunities and threats due to Web 3.0. To this end, there are three factors that business leaders must consider – ownership, alignment of incentives and communities.

With the arrival of technologies like blockchain, ownership of data has been decentralised and democratised to a considerable extent. Moreover, it has made ownership of digital assets possible, just like any physical assets.

These digital assets can be earned through certain economic activities, stored like cash in the individual's digital wallets, and used for spending in certain economic activities – such as buying goods and services.

The ownership of digital assets by individuals has triggered new thinking on the evolving relationships between brands and their customers. Therefore, both local and global brands must alter their customer-incentive models, such as loyalty programmes, with the perspective of Web 3.0.

In the past, social media has proved how powerful communities can be in shaping the brand purpose and its alignment to a cause. Now with Web 3.0, these communities are going to become stronger with immersive technologies such as the metaverse.

Moreover, community roles will possibly be intertwined with the incentivisation models of brands.

As Web 3.0 is maturing fast, it is crucial that business leaders get familiar with it and reconfigure their existing business models as well as brand-customer relationships in line with this technology.

The writer is a partner with PwC. The views expressed here are his own.



## New jute variety, technologies launched

STAR BUSINESS REPORT

Bangladesh Jute Research Institute (BJRI) yesterday launched a new variety of jute and four technologies to expand cultivation of the natural fibre across the country.

The new "BJRI Mesta 4" can basically be consumed as a green vegetable while its leaves can be used to make jelly, said Md Babul Hossain, principal scientific officer of the BJRI.

The technologies are on controlling a yellow pest, an improved cropping pattern and seed production.

Hossain was delivering a presentation at a "BJRI Developed Technology Transfer Workshop-2023" at the BJRI auditorium in the capital.

The alternative cropping pattern was on using fallow land in between the cultivation of paddy in the Boro and Aman seasons, enhancing cropping intensity, productivity and income, he said.

If even 15 per cent of the 2.31 million hectares of land left to rest during the cropping cycle can be used to cultivate this new variety, overall annual output can be raised by 50 per cent, he added.

Addressing as chief guest, Shaikh Mohammad Bokhtiar, executive chairman of Bangladesh Agricultural Research Council, said jute and sugarcane were assets of Bangladesh but the country has not been able to keep pace with global changes.

"Sugarcane was once a rural industry. Due to the lack of technology, proper management and global changes, these two sectors are now in crisis," he said.

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The jute sector could not flourish properly due to a lack of technology and proper management and an absence of adequate initiatives to keep pace with global changes, says an expert.

PHOTO: STAR/FILE

## Eastern Housing clocks Tk 30cr profit in Jul-Dec

STAR BUSINESS REPORT

Eastern Housing Limited posted a Tk 29.22 crore profit in July-December of the current financial year, up 18.58 per cent year-on-year.

The real estate company made a profit of Tk 24.64 crore in the corresponding half of 2021-22.

Thus, its earnings per share (EPS) rose to Tk 3.13 in July-December from Tk 2.64 in the first half of the previous financial year, according to the unaudited financial statements.

The EPS rose thanks to an increase in overall profitability resulting from the significant hike in finance incomes, said Eastern Housing in a filing on the Dhaka Stock Exchange (DSE).

It posted more than READ MORE ON B2