



Workers turn paddy to evenly dry them out in the sun as a part of the process for availing rice in a mill in Jamalpur's Sarishabari upazila. A day's work earns each of them Tk 600. The photo was taken near Diggait Bazar at the start of this month.

PHOTO: SAHIDUL ISLAM NIRAB

Nestle plans price hikes

REUTERS, Zurich

The world's biggest food group Nestle will push through further price increases this year, Chief Executive Mark Schneider said on Thursday, after more expensive ingredients contributed to lower 2022 profits.

He declined to comment on the planned level of price increases, which he said were necessary to offset the damage caused by commodity price rises.

For consumers, whose spending power has already been cut by inflation at multi-decade highs, they are likely to add to concerns about strained household budgets and weakened economies.

The maker of Nescafe instant coffee and KitKat chocolate bars raised prices by 8.2 per cent last year.

But the measures did not fully offset the increased cost of ingredients such as coffee and dairy products, meaning profit margins dwindled.

"Our gross margin is down about 260 basis points - that is massive. That is after all the pricing we have done in 2022," Schneider told reporters.

Price adjustments are likely to vary depending on markets.

"We have some markets, like the US and UK, where we see strong continued inflation, and other markets like China and like here in Europe where inflation is more muted," Schneider said.

The packaged goods industry has also increased prices to cope with surging costs for almost all raw materials.

Already, it had been disrupted by supply-chain bottlenecks caused by the pandemic when Russia's invasion of Ukraine almost a year ago added to rising costs for energy and other commodities.

Schneider said inflationary pressures from logistics and more expensive arabica coffee and dairy products have eased, but remained high.

Sales volumes and mix were resilient, he added, rising by 0.1 per cent during 2022. Together with the 8.2 per cent increase in pricing, this brought Nestle's full year organic sales growth to 8.3 per cent.

Nestle said it targeted organic sales growth - which cuts out the impact of currency moves and acquisitions - in a range of 6-8 per cent in 2023.

During 2022 the company's reported sales increased 8.4 per cent to 94.4 billion Swiss francs (\$102.31 billion).

Cultivation of zinc-rich rice yet to catch on

Experts blame low demand due to a lack of awareness

STAR BUSINESS REPORT

The cultivation of zinc biofortified paddy is yet to reach sufficient levels due to low demand stemming from a lack of awareness on the benefits of consuming the grain, according to various experts.

Zinc deficiency is a major concern in Bangladesh as about 32.5 per cent of the children and 45.40 per cent of women in the country do not consume adequate amounts of the essential nutrient.

As a result, many of them are suffering from stunted growth and malnutrition.

"But it would be possible to eliminate this issue by consuming zinc-fortified rice as about 70 per cent of a person's daily requirement can be obtained from the grain," said Ashek Mahfuz, portfolio lead of the Global Alliance for Improved Nutrition (GAIN), a Geneva-based non-profit foundation.

"So, zinc fortified rice should be

popularised among the people to foster demand and subsequently increase production across the country," he added.

Mahfuz made these remarks at a roundtable, styled "Opportunity of Reducing Malnutrition through Biofortified Zinc Rice in Bangladesh", jointly organised by GAIN and Empiric Research Limited at the Hotel Sheraton Dhaka yesterday.

Speaking as chief guest, Agriculture Minister Muhammad Abdur Razzaque said zinc deficiency in women and children has reached alarming levels.

"During the coronavirus pandemic, we clearly understood the necessity of zinc in our diet," he added.

Razzaque then said they have long been working on reducing vitamin, iron and iodine deficiencies in the country.

"Now, we want to work on zinc. For this, a well-planned target has to be taken at the public and private levels," he added.

Moshiur Rahman, an agronomy professor of Bangladesh Agricultural University, said along with bringing changes in the cropping pattern, diversifying the peoples' diet to include zinc should also be prioritised.

Shaikh Mohammad Bokhtiar, executive chairman of the Bangladesh Agricultural Research Council, said all concerned should broaden their focus on cultivating other zinc-rich crops along with paddy.

He also insisted on raising awareness on the benefits of zinc-rich foods through countrywide campaigns.

Md Shahjahan Kabir, director general of the Bangladesh Rice Research Institute (BRRI), said the human body requires 11 milligrams of zinc each day as it cannot produce or store the nutrient on its own.

So far, the BRRI has developed seven zinc-rich varieties of rice.

Among them, the BRRI Paddy-84 has the highest concentration of the nutrient.

"The BRRI is now bringing high zinc-rich rice. The concentration of zinc in the rice available is about 45 parts per million," Kabir added.

Md Momtaz Uddin, additional secretary of the food ministry, said they are buying zinc rice from different districts to provide people with nutrient-rich food under various support programmes.

"To ensure nutrition among low-income people and encourage farmers to cultivate zinc rice, the ministry will continue such programmes," he added.

The event was chaired by Wahida Akter, secretary to the agriculture ministry.

Among others, Badal Chandra Biswas, director general of the Department of Agricultural Extension, FH Ansarey, president of ACI Agribusiness, Golam Itekhhar Mahmud, special correspondent of Prothom Alo, and Rudaba Khondker, country director of GAIN, spoke at the event.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (FEB 19, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	1.5 ↑	5.47 ↑
Coarse rice (kg)	Tk 48-Tk 52	2.04 ↑	5.26 ↑
Loose flour (kg)	Tk 56-Tk 60	-3.33 ↓	65.71 ↑
Lentil (kg)	Tk 95-Tk 100	-4.88 ↓	0
Soybean (litre)	Tk 168-Tk 172	0.59 ↑	6.25 ↑
Potato (kg)	Tk 20-Tk 25	-10.64 ↓	20 ↑
Onion (kg)	Tk 30-Tk 35	-18.75 ↓	-27.78 ↓
Egg (4 pcs)	Tk 47-Tk 50	16.87 ↑	31.08 ↑

SOURCE: TCB



Zafar Alam, managing director of Social Islami Bank, attended a meeting with Hajj agencies of Chattogram region at Peninsula Chattogram in the port city on Saturday. Mohammad Forkanullah, deputy managing director, presided over the meeting, where Prof Mohammad Gias Uddin Talukder, chairman of the Central Shariah Board of the Islamic Banks of Bangladesh, and Mohammad Shah Alam, vice-president of the Hajj Agencies Association of Bangladesh, were present.

PHOTO: SOCIAL ISLAMI BANK



Md Abul Bashar, chairman of NCC Bank, attended an annual business conference for executives and branch managers at the Grand Sultan Tea Resort and Golf in Sreemangal, Moulvibazar yesterday. Mohammad Mamdudur Rashid, managing director, presided over the ceremony, where Sohela Hossain, vice-chairman, SM Abu Mohsin, chairman of an executive committee, and Amjadul Ferdous Chowdhury, Khairul Alam Chaklader and Mohammed Sazzad Un Newaz, directors, were present.

PHOTO: NCC BANK

NBR plans to widen bonded warehouse

FROM PAGE B1

It aims to encourage industrialisation, facilitate exports and enhance the competitiveness of the products made in Bangladesh.

The facility has been extended to export-oriented readymade garments and shipbuilding industries as well as deemed exporters of packaging materials, cartons, labels, polybags, buttons and hangers.

The Bepza recommended a 12-year tax rebate facility for technology-related and non-traditional products besides garments.

The Bida recommended that the rate of deduction of tax at source applicable on the income of non-residents be 5 to 10 per cent instead of 20 per cent.

It proposed the withdrawal of the current 1 per cent advance tax on raw materials and spare parts as well as the reduction of the advance tax rate in all cases to 3 per cent.

A new entitlement policy on bonded warehouses should be framed, said the Business Initiative Leading Development (BUILD) in its budget proposal, which was also placed in the same meeting.

The think-tank also demanded putting in place separate administrations formulating tax policies and collecting revenue.

"The NBR makes tax policies and collects taxes, but this creates problems on many occasions," said BUILD Chief Executive Officer Ferdous Ara.

In reply, Muneem said it may be examined.

He, however, said he did not understand why the demand was being raised.

"Laws related to tax, VAT and income taxes are very technical and complex. So, none can frame policies if they don't have strong expertise in these areas."

Luxury sector eyes

FROM PAGE B4

With the restrictions having restrained consumption, the reopening of the Chinese economy is being looked at as a growth opportunity for 2023.

Analysts at UBS say 2023 will be the "year of the Chinese consumer", noting that the pandemic restrictions pushed down the share of Chinese consumers in global luxury spending to 17 per cent last year, compared with 33 per cent before the pandemic.

"The Chinese clientele is much more important than it was in 2019," LVMH's financial director Jean-Jacques Guiony told journalists.

Guiony does not expect Chinese tourists to return to Europe, where they traditionally spent heavily on luxury goods, before next year. Instead, luxury groups are focusing on Chinese consumers at home.

LVMH's Arnault said it was no secret that China needs growth and that the government would likely take steps to facilitate economic

expansion as the country reopens. "If that is indeed the case - and it began in the month of January - we have every reason to be confident, even optimistic about the Chinese market," he said at the presentation of LVMH's 2022 results.

China is a "volcano ready to explode", said Arnaud Cadart at asset manager Flornoy Ferri.

"There is an incredible amount of savings that has been built up, an incredible reserve in the hands of the well-off class which wants to purchase luxury goods," he added.

Cadart estimated the luxury market in China could jump by 30 per cent this year.

Kering's chief executive Francois-Henri Pinault visited China at the end of January and said he was amazed by the people thronging stores "like the virus had never been in China".

"This is a good sign," said Pinault, who also welcomed moves by Chinese authorities to boost domestic consumption.

New platform to thwart

FROM PAGE B4

Munshi said people are getting various benefits of digitalisation such as shopping online for convenience.

As a result, the coverage of e-commerce has expanded a lot when fraudulent practices have also increased, he said.

"We all have to be aware of this,"

he said. At the event, State Minister for Information and Communication Technology Zunaid Ahmed Palak said the popularity of e-commerce has increased as it has eased the lives of people.

All are getting the benefit of national emergency service by dialing 999, he said.

BASIS SoftExpo

FROM PAGE B4

Parliament Shirin Sharmin Chaudhury is expected to inaugurate the exhibition, the organisers said at the press briefing.

Post and Telecom Minister Mustafa Jabbar and State Minister for ICT Zunaid Ahmed Palak are scheduled to attend the event as

special guests. BASIS has been holding bilateral meetings and making different business agreements to accelerate business in various countries of the world. B2B Matchmaking will be held between Bangladeshi companies and foreign companies in the fair this year.