Imported stone being crushed right next to the Burimari land port in Lalmonirhat for the availability of cheap labour and easy transportation of the chips to markets around the country. The photo was taken recently.

PHOTO: S DILIP RO

Construction aggregate market grows sevenfold in a decade

JAGARAN CHAKMA

The sale of construction aggregates is growing steadily in Bangladesh in tune with increasing infrastructure development and economic activities, according to industry insiders.

Aggregates are a broad category of coarse particulate material including sand, gravel, crushed stone, slag, recycled concrete and geo-synthetic aggregates commonly used in construction projects for various purposes such as concrete production, road construction, and building foundations.

The country is fully dependent on the import of aggregates from Nepal, India, Bhutan, Indonesia and the Middle East.

According to the industry insiders, the country currently needs around seven crore tonnes of aggregates per year worth around Tk 35,000 crore.

It was at best Tk 5,000 crore prior to 2010, they said. This has prompted big corporations to entering what was mostly an informal market.

Use of natural aggregates increased last year and demand is mostly met with imports from Oman and Dubai, said Md Shamsul Hoque, physical infrastructure specialist and a civil engineering professor at the Bangladesh University of Engineering Technology.

Previously the demand was low and met with stone extracted locally, including from Sylhet and Chittagong Hill Tracts, he added.

"The lifecycle benefit of natural aggregate is higher than artificial one which people of Bangladesh can quite understand," he said.

According to him, the longevity of infrastructure made with natural aggregates is around 100 years whereas artificial aggregates only provide a temporary solution.

During the past decade, a huge amount of deployment work has been carried out which created a demand for natural aggregates as a part of a shift towards sustainable development, he said.

"Aggregates are more sustainable than the traditional brick chips because of their strength, durability and workability," said Thuhidul Islam, head of communications, LafargeHolcim Bangladesh Ltd.

"The demand for aggregates is on the rise as developers and individual house builders are now focusing on the longevity of their buildings and other construction," he said.

LafargeHolcim commenced its aggregates business in 2021, he said.

Crown Cement PLC started supplying stone chips for government projects and the private sector around two years ago, said the company secretary, Md Mozharul Islam.

Use of stone chips has diversified from road and bridge construction such as for the construction of buildings for the need for sustainability, he said.

According to him, the demand of aggregates is increasing with economic growth and heightened awareness about the environment and longevity of infrastructure.

Meanwhile, Shah Cement Industries Limited plans to enter the business next year, said a senior official.

"We just started using aggregates for construction of buildings and other infrastructure while developed countries started using aggregates a long time ago," said FR Khan, managing director of bti, one of the top developers in the country.

"For this reason, the demand for aggregates is increasing," he said.

As Bangladesh is prone to heavy rains during the monsoons, it is better to use stone chips rather than those of bricks, at least for the roof of buildings, he said.

Buildings built using stone chips on low-lying land do not suffer any damage from water inundation, he said.

In spite of the price difference, stone chips provide long-term benefits for being a natural product, he added.

Demand for stone chips has been increasing by around 8 per cent to 10 per cent annually over the past decade as people want their buildings to last longer, said Khandoker Kingshuk Hossain, chief marketing officer of Bashundhara Cement.

The company supplies stone chips through a ready-mix concrete, he added.

Digital refinance scheme's fund raised to Tk 500cr

STAR BUSINESS REPORT

Bangladesh Bank has raised the fund for the digital refinance scheme to Tk 500 crore from Tk 100 crore, dedicated for disbursement of "digital nano loan" among marginalised people.

The decision was taken to increase financial inclusion of marginalised people amid the growing demand for digital nano loans in the country, the central bank said in a circular yesterday.

The other purposes of the fund are to encourage and habituate marginalised people to do digital transaction, and enhance the progress of building "Smart Bangladesh", it added.

The Tk 100 crore refinance scheme was introduced on July 2 last year.

Participating banks of the refinance scheme will be able to disburse loans amounting to Tk 50,000 to individual customers with up to 9 per cent interest under the scheme.

The loans have to be disbursed entirely digitally by using internet banking, mobile apps, mobile financial services, or e-wallet services, according to the central bank.

Trust Bank's profit jumps

STAR BUSINESS REPORT

Profits of Trust Bank rose sharply in the April-June period of the current calendar year, owing to higher income.

The lender registered profits of Tk 110.6 crore in the second quarter of 2023 while it was Tk 72.7 crore during the same period of the previous year, according to the company's quarterly financial report.

At the same time, the bank's earnings per share rose to Tk 1.42 from Tk 0.94.

Established in 1999, Trust Bank saw its profits drop 72 per cent year-on-year to Tk 23 crore in the first quarter (January-March) of 2023.

Profits plunged in that quarter mainly due to lower net interest income and higher provisioning, it said. The bank's net asset value per share stood at Tk 27.57 by the end of the first half of the year while it was Tk 25.92 by the end of 2022.

Overall, Trust Bank recorded profits of Tk 133.69 crore in the past six months compared to Tk 157 crore in the same period of the previous year.

The lender provided 10 per cent cash and 10 per cent stock dividends for 2022.

Stocks of Trust Bank closed at Tk 31.70 at the Dhaka Stock Exchange yesterday.

Xiaomi bets bigger on India retail stores

REUTERS, *New Delhi*

China's Xiaomi will focus on boosting its India sales from retail outlets after years of big bets on e-commerce, its India president said, as the company seeks to revive smartphone sales after falling behind South Korea's Samsung.

E-commerce sales in India via Amazon and Walmart's Flipkart have surged in recent years, helping Xiaomi and others expand in one of the world's fastest-growing markets, with 600 million smartphone users. But while 44 per cent of India's smartphones sales are now online, the brick-and-mortar segment remains the bigger play and Xiaomi expects it to grow further.

"Our market position in offline is substantially lower than what it is online," Xiaomi's India head, Muralikrishnan B., said in an interview on Friday. "Offline is where you have other competitors who have been executing fairly well and have a larger market share."

Just 34 per cent of Xiaomi's India unit sales this year have come from retail stores, with the rest through websites that have long been its dominant sales generator, data from Hong Kong-based Counterpoint Research shows. Samsung, in contrast, gets 57 per cent of its sales from stores.

Twitter has lost half its ad revenue

Musk says

AFP, *New York*

Twitter owner Elon Musk said Saturday that the social media platform he bought for $44 billion last October has lost roughly half of its advertising revenue.

"We're still negative cash flow, due to ~50 per cent drop in advertising revenue plus heavy debt load," the billionaire said in a post, responding to a user who was giving suggestions on financing for the platform.

"Need to reach positive cash flow before we have the luxury of anything else," he added, without further elaboration.

Insider Intelligence has reported that Twitter was set to earn less than $3 billion in 2023, down one-third from 2022.

Changes instituted by Musk since his takeover of Twitter have turned off users and advertisers alike.

Earlier this month, Musk announced that Twitter was limiting verified accounts to reading 10,000 tweets a day.

Non-verified users -- the free accounts that make up the majority of users -- are limited to reading 1,000 tweets per day. New unverified accounts would be limited to 500 tweets.

A few days later Twitter said TweetDeck, a popular program that allows users to monitor several accounts at once, will be available only to "verified" users from next month.

The changes came as Threads, an app launched by Facebook parent Meta as a rival to Twitter, signed up more than 100 million users in its first five days.

Twitter is thought to have around 200 million regular users but it has suffered repeated technical failures since Musk bought the platform and sacked thousands of staff.

Musk has threatened to sue Meta for stealing trade secrets and intellectual property, claims denied by the company.

Bank buildings are seen in Canary Wharf financial district in London. London has been pushing a "Global Britain" strategy since formally severing nearly 50 years of ties with its nearest neighbours in the European Union three years ago.

PHOTO: AFP/FILE

UK signs up to trans-Pacific trading bloc

AFP, *London*

The UK government on Sunday hailed what it said was its biggest trade deal since Brexit, as it formally signed a treaty to join a major Indo-Pacific bloc.

Business and Trade Secretary Kemi Badenoch signed the accession protocol for the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) in New Zealand.

It makes the United Kingdom the first new member and first European nation to join the bloc since it was created in 2018.

The CPTPP comprises the UK's fellow G7 members Canada and Japan, plus long-standing allies Australia and New Zealand, alongside Brunei, Chile, Malaysia, Mexico, Peru, Singapore and Vietnam.

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