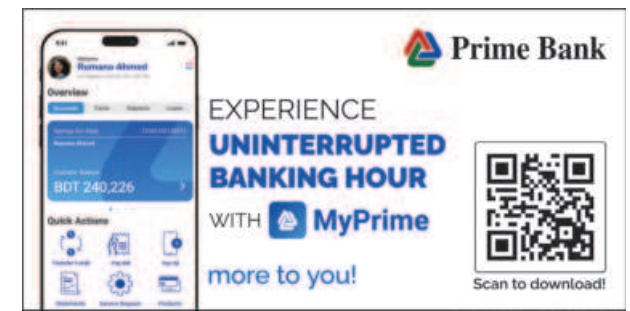


# Star BUSINESS



## Lift import tariffs on onion

Tariff commission requests NBR

STAR BUSINESS REPORT

The Bangladesh Trade and Tariff Commission (BTTC) yesterday requested the revenue authority to lift all import tariffs on onion until December 31 this year as its domestic prices spiked after India slapped 40 percent export duty on the vegetable.

In a letter to the National Board of Revenue (NBR), the BTTC said the prices of Indian onions may rise to \$400-\$420 a tonne from \$280-\$300 after the imposition of the new export duty by New Delhi.

It said onion traders require to pay a total of 10 percent import tax, including 5 percent customs duty, to bring in the bulb and the import demand of the perishable item rises in the August-January period every year owing to the gradual depletion of the domestic variety.

**Onion traders require to pay a total of 10 percent import tax, including 5 percent customs duty, to bring in the bulb**

The onion prices are likely to get affected by the imposition of the Indian export duty, the BTTC letter said signed by its Deputy Chief for Trade Policy Md Mahmudul Hasan.

Under these circumstances, the import tariff can be waived and the private sector along with the Trading Corporation of Bangladesh (TCB) can be encouraged to bring in onions from Myanmar, Turkey and Egypt, the letter also read.

"It appears that the measures will ensure stability in the supply and prices of onion in the local market," said the BTTC.

The tariff commission said Bangladesh can meet up to 75 percent of its requirement through local production of onions and the country imports the rest, particularly from India.

Yesterday, locally grown onion was sold at prices up to Tk 90 per kilogramme (kg) in Dhaka, which was Tk

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Jute exports dropped 19 percent in fiscal year 2022-23, and in the ongoing harvesting season, farmers are at best getting Tk 2,700 per maund (around 37 kilogrammes), nearly 15 percent lower than what they were getting a year ago. The photo was taken at Taraganj Bazar in Nilphamari on Saturday.

PHOTO: EAM ASADUZZAMAN

## Falling exports hit jute growers

Prices of raw jute decline

STAR BUSINESS REPORT

Falling export of jute and jute goods is now having an effect on jute growers as prices of the natural fibre have fallen during the current harvesting season.

Cultivated as a cash crop, raw jute is fetching farmers at best Tk 2,700 per maund (around 37 kilogrammes) at local haats (market) of Faridpur, Pabna and some northwestern districts, reports our correspondents from there.

The current prices are nearly 15 percent lower than the Tk 3,200 or so they were getting in the same period a year ago.

The development comes at a time when farmers increased jute acreage by 2 percent to 7.45 lakh hectares in the current season, up from 7.29 lakh hectares previously, according to the data of the Department of Agricultural Extension.

Jute prices fell to Tk 2,500 to Tk 2,700 per maund

**It would be difficult to realise production costs if price continues to remain lower than that in the previous year, said a jute grower**

this harvesting season, said Jahangir Alam, a farmer of Chinavatkur of Chatmohar upazila under the northwestern district of Pabna.

In the previous year, it was Tk 3,200 to Tk 3,300, he said.

It would be difficult for to realise production costs this year if prices continue to remain lower than that in the previous year, said Md Asadul Islam, another jute grower of the same upazila.

The situation is the same in Rangpur, a northwestern division.

Millers blamed declining exports of jute and jute goods, the third largest export earning sector after garment and leather and leather goods, for the prices of raw jute to have gone down.

Jute and jute goods exports dipped 19 percent year-on-year to \$912 million in fiscal year 2022-23. This was the second consecutive year for exports to have reduced, according to data of the Export Promotion Bureau.

In July of fiscal year 2023-24, export earnings from the sector picked up by 3 percent to \$63 million.

"Demand for jute products and jute yarn has fallen in the global market," said Helal Ahmed, chief operating officer of Janata Jute Mills and Sadat Jute Industries Ltd, one of the largest jute yarn and jute goods maker and exporter.

"So, mills are making purchases according to their requirement," he said.

READ MORE ON B3

## Apparel behemoths expanding into new sectors

REFAYET ULLAH MIRDHA

Textile and garment behemoths in Bangladesh have started ploughing their surplus wealth into new sectors in order to tap the potential in an economy that is growing at a healthy clip and consumers' purchasing power is rising.

Immensely successful garment and textile millers have expanded into sectors such as electricity generation, real estate, agriculture, dairy, hospitality, banking, tea estate, computer chips making, insurance, capital market, health, education, leasing, e-commerce, construction, pharmaceuticals, and economic zones.

Textile and garment manufacturers have been playing a vital role in the economy by earning foreign currencies and creating jobs since the late 1970s when a group of local entrepreneurs sowed the seed for a successful sector exploiting the then quota system.

They have been contributing nearly 85 percent to national export earnings for more than three decades. Currently, over 100 textile and garment factories register an annual export turnover of \$500 million, industry people say.

One of the top garment and textile manufacturers that has invested in other sectors like bank, insurance, media, and tea estate is Ha-Meem Group.

"Although I have started investing in other sectors, my prime focus is still textile and

technologies, agricultural and dairy products.

"These areas offer huge growth potential," said MA Jabbar, managing director of DBL Group.

He also said the core business of DBL is apparel and garment and the group has already

several millions of dollars to generate electricity.

The entrepreneur plans to spend further to produce 1,600 megawatts of power.

Md Saiful Islam, president of the Metropolitan Chamber of Commerce and Industry, which mainly represents industrial conglomerates, says big groups are investing more in diversified sectors as the risk is low in the domestic market whereas the profit is high.

"The economy is expanding and new opportunities are emerging. On the other hand, the risks in the export markets are higher and there is fierce competition in the international markets as well."

Bangladesh is expected to be the ninth-largest consumer market globally by 2030, leaving behind the United Kingdom and Germany, said a report by HSBC Global Research last year. In 2021, the country was the 16th largest consumer market worldwide.

"The investment and the growth in the textile and garment sector are also increasing simultaneously," Islam said.

Md Amin Helaly, senior vice-president of the Federation of Bangladesh Chambers of Commerce and Industry, thinks

READ MORE ON B3



garment sector," said AK Azad, chairman and chief executive officer of Ha-Meem.

The group is expanding its footprint in the textile and garment sector by producing more denim and recycled fabrics with a view to meeting the demand of international retailers and brands.

DBL Group, one of the largest textile and garment manufacturers in Bangladesh, has invested hugely in tiles, ceramic and pharmaceuticals sectors as well as in digital

expanded a lot.

Ananta Group, another textile and garment group, has ploughed money into real estate, e-commerce, hotel, and leasing companies.

"Despite the huge investment in other sectors, our primary focus lies in textile and garment," said Sharif Zahir, managing director of Ananta Group.

A textile and garment entrepreneur whose company makes high end value-added garment items for western buyers says he has already invested

## PROJECTS WITH CHINESE FUNDS (\$8,084.92M)

Name of the projects	Chinese fund	Time of loan deal signing (Loan disbursed up to June)
Padma Bridge Rail Link	\$2,667.94m	April 27, 2018 (\$1,991.47m)
Construction of Multi Lane Road Tunnel under river Karnaphuli	\$705.8m	October 14, 2016 (\$660.51m)
Installation of Single Point Mooring (SPM) with Double Pipeline	\$550.67m	November 3, 2017 (\$465.46m)
Development of ICT Infra-network for Bangladesh Government Phase III (Info Sarker 3)	\$156.56m	October 27, 2017 (\$165.56m)
Modernisation of Telecommunication Network for Digital Connectivity	\$231.5m	April 10, 2018 (\$224.53m)
Expansion and Strengthening of Power System Network under DPDC Area	\$1,402.93m	July 4, 2019 (\$534.75m)
Power Grid Network Strengthening Project under PGCB	\$966.28m	June 7, 2020 (\$219.08m)
Construction of Dhaka-Ashulia Elevated Expressway	\$1,126.99m	October 26, 2021 (\$170.6m)
Rajshahi WASA Surface Water Treatment Plant Project	\$276.25m	April 27, 2023 (\$55.25m)
<b>Total</b>	<b>\$8,084.92m</b>	<b>\$4,487.21m</b>

SOURCE: ERD

## PROJECTS WITH CHINESE LOANS

# One complete, eight running at adequate pace

Says ERD official

JAGARAN CHAKMA

One of the development projects undertaken on Chinese loans has been completed while eight others are being implemented in full swing following a prolonged hiatus for the pandemic, said relevant officials and Economic Relations Division (ERD).

A memorandum of understanding titled "Strengthening investment and production capacity cooperation", comprising 27 projects and a cost of \$20 billion, was signed during Chinese President Xi Jinping's visit to Bangladesh in 2016.

Agreements for loans of \$8.08 billion for nine have been signed, out of which the

**Agreements for loans of \$8.08 billion for nine have been signed, out of which the Chinese authority disbursed \$4.47 billion till June 2023**



Chinese authority disbursed \$4.47 billion till June 2023.

The eight projects are running at an "adequate" pace at the moment and disbursement of funds is also "satisfactory", said a senior ERD official.

The ERD is sitting with project implementing entities, the embassy of China and the Exim Bank of China from time to time to identify bottlenecks, he

said.

The project that has been said to be completed is titled "Development of ICT Infra-network for Bangladesh Government Phase III".

The project encompassed ensuring internet access for 60 per cent of the country's population by establishing broadband connections in 2,600 unions.

READ MORE ON B2



## Prime Bank signs MoU with Dhali's Amber Nivaas Resort

STAR BUSINESS DESK

Prime Bank recently signed a memorandum of understanding (MoU) with Dhali's Amber Nivaas Resort, a luxury resort in Munshiganj near Dhaka city.

Nazeem A Choudhury, deputy managing director of the bank, and Tony Khan, business development adviser of the resort, signed the MoU at the former's head office in Dhaka, said a press release.

Under the MoU, the bank's monarch (priority banking) customers, credit or debit cardholders, and employees will enjoy up to 30 percent discounts on room rent at the resort.

Mamur Ahmed, head of consumer sales of the bank, and Md Shaifur Rahman, general manager of the resort, along with other senior officials from both organisations were present.



Nazeem A Choudhury, deputy managing director of Prime Bank, and Tony Khan, business development adviser of Dhali's Amber Nivaas Resort, exchange signed documents of a memorandum of understanding at the former's head office in Dhaka recently.

PHOTO: PRIME BANK

## German economy may stagnate again in Q3

AFP, Frankfurt

Germany's "lacklustre" economy will likely stagnate again in the third quarter, the Bundesbank central bank said Monday, as weak demand from abroad and high interest rates takes their toll on Europe's industrial powerhouse.

After preliminary estimates suggested that the economy recorded zero growth in the second quarter of 2023, the outlook for the July-September period was not much better, the Bundesbank said in its monthly report.

"German economic output will probably remain largely unchanged again in the third quarter," it said. Europe's largest economy is "still lacklustre" and "still experiencing a period of weakness", it added.

**Europe's largest economy is still lacklustre and still experiencing a period of weakness, the Bundesbank central bank said.**

The gloomy outlook adds to concerns that Germany will drag down the eurozone's economic performance this year, with the International Monetary Fund predicting it will be the only major advanced economy to shrink in 2023.

National statistics agency Destatis will release final data for the second quarter on Friday.

The German economy shrank over the two preceding quarters, meeting the technical definition of a recession.

Germany's key industrial sector, traditionally a driver of growth, has been hit particularly hard in recent months as exports have plummeted against a backdrop of high inflation and subdued global activity.

Even though supply chain bottlenecks have eased, "industrial output looks set to remain weak", the report said, "as foreign demand has been on a downward trend of late".

While economic activity in the United States, a major trading partner, was in "comparatively good shape," the bank noted that key client China's post-Covid recovery had "quickly lost momentum".

## Tasty Treat opens two outlets in Khulna

STAR BUSINESS DESK

Tasty Treat, a fast food retail brand of Pran-RFL Group, recently launched two outlets at Sheikh Para and Gol Chatter of Khalishpur in Khulna.

Ibrahim Khalil, chief operating officer of Tasty Treat, inaugurated the outlets, said a press release.

Traditional and birthday cakes, fast food, pastry, dessert items, savory items, cookies, biscuits, and sweet items will be available at these outlets.

"We hope it will help the customers to get cake, fast food, and cookie items from Tasty Treat easily," said Khalil.

The fast-food brand will launch another two outlets in Custom House Mor and Rupsha Traffic Mor very soon.

Currently, the company has 336 outlets across the country.

Among others, Ziaul Haque, assistant general manager (operation) of Tasty Treat, and Arif Mahmud Shawn, assistant brand manager, were present.



Ibrahim Khalil, chief operating officer of Tasty Treat, cuts a ribbon to inaugurate an outlet of the fast food retail brand at Gol Chatter of Khalishpur in Khulna recently.

PHOTO: PRAN-RFL GROUP

## MTB signs deal with Shakti Foundation

STAR BUSINESS DESK

Mutual Trust Bank Ltd (MTB) recently signed an agreement with Shakti Foundation on cash management services.

Syed Mahbubur Rahman, managing director and CEO of the bank, and Humaira Islam, founder and executive director of Shakti Foundation, inked the deal at the bank's corporate head office in Gulshan-1, Dhaka, said a press release.

Among others, Md Khalid Mahmood Khan, deputy managing director of the bank, Mohammad Mamun Faruk, divisional head of wholesale banking-1, Ashraf Ur Rahman Chowdhury, unit head of wholesale banking-1, Mohammad Ashik Iqbal Khan, head of cash management and transaction banking division, Abdul Halim, senior director and head of finance of the foundation, and Shahida Pervin, director, were present.



Syed Mahbubur Rahman, managing director of Mutual Trust Bank, and Humaira Islam, founder of Shakti Foundation, exchange signed documents of an agreement on cash management services at the former's corporate head office in Gulshan-1, Dhaka recently.

PHOTO: MUTUAL TRUST BANK

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (AUG 21, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 72	-2.22 ↓	-7.69 ↓
Coarse rice (kg)	Tk 48-Tk 50	-2 ↓	-13.27 ↓
Loose flour (kg)	Tk 58-Tk 50	-3.92 ↓	-6.67 ↓
Lentil (kg)	Tk 95-Tk 100	2.63 ↑	-9.3 ↓
Soybean (litre)	Tk 155-Tk 160	-3.67 ↓	-9.48 ↓
Potato (kg)	Tk 36-Tk 42	0	39.29 ↑
Onion (kg)	Tk 80-Tk 90	36 ↑	70 ↑
Egg (4 pcs)	Tk 50-Tk 53	7.29 ↑	6.32 ↑

SOURCE: TCB



ATM Tahmiduzzaman, deputy managing director of United Commercial Bank, attends an agricultural entrepreneurship skills development training under the initiative of Agro-CSR Project 2023 styled "Voroshar Notun Janala" at Brac Learning Centre in Dinajpur yesterday.

PHOTO: UCB

## UCB holds training for agri entrepreneurs

STAR BUSINESS DESK

United Commercial Bank (UCB) organised a daylong agricultural entrepreneurship skills training in two districts -- Dinajpur and Gaibandha -- under the initiative of Agro-CSR Project 2023 styled "Voroshar Notun Janala".

As per the direction of Bangladesh Bank, the bank arranged the training as part of its corporate social responsibility. More than 360 agricultural entrepreneurs from 13 upazilas took part in the training, said a press release.

"We are working to help farmers so that they can produce and market their crops by availing hassle-free banking services. That's why we named our project Voroshar Notun Janala," said ATM Tahmiduzzaman, deputy managing director and company secretary of the UCB.

Among others, Abul Kalam Azad, head of brand marketing and corporate affairs at the UCB, and Md Mohsinur Rahman, head of SME banking, were present.

## One complete, eight running

FROM PAGE B1

It also sought to enhance the distribution of technical knowledge and provide high-speed internet facilities at the union level for connecting Union Digital Centres.

It cost \$156.56 million, all of which has been disbursed.

Of the eight ongoing projects, the one closest to completion is "Bangabandhu Sheikh Mujibur Rahman Tunnel" under the Karnaphuli river in Chattogram.

The first tunnel in South Asia to be constructed under a river, 98 percent of it is complete.

The project will be opened to traffic on October 18. "It is 100 percent sure," said the project's director, Md Harunur Rashid.

It is costing \$705.8 million, of which \$660.51 million has been received till June.

Similarly, another project on "Installation of Single Point Mooring with Double Line" has had 98 percent of it complete.

The implementing agency, Eastern Refinery Limited, has had its deadline extended for a fourth time by one year to June 2024 while the cost raised by around Tk 1,000 crore, or 15 percent.

This was due to the increase in the exchange rate of the taka against the US dollar, which was needed

for paying foreign contractors and consultants.

The project is costing \$465.46 million, of which \$550.67 million has been received till June.

Next to follow suit is the Padma Bridge Rail Link, which has been said to have achieved 80 per cent progress till June.

However, Bangladesh Railway sought a one-year extension on the loan availability to avoid cost revisions.

The project's director, Afzal Hossain, hopes to complete the project in due time, that is June 2024.

The rail line is costing \$2667.94 million, of which \$1,991.47 million has been received till June.

Another project on constructing a 24-kilometre elevated expressway connecting Dhaka to Ashulia has achieved 15 per cent progress till June.

There were a few challenges, including over land acquisition, said the project director, Shahabuddin Khan.

It is costing around \$1.2 billion, of which \$170.6 million has been disbursed till June, and is expected take until June 2026 to complete.

Apart from these, three projects are now being evaluated and loan applications have been sent over seven projects.



Haji Haris bin Haji Othman, high commissioner of Brunei Darussalam to Bangladesh, and his wife Suraiya Haji Salleh pose for photographs with Shah Masud Imam, chief operating officer of Dan Foods, after visiting a factory of the company in Savar yesterday. Rozaimee Abdullah, first secretary of the high commission, and Golam Habib, group head of human resources division and corporate affairs at Pandughar Group, along with other senior officials of the company were present.

PHOTO: DAN FOODS

## China cuts key interest rate

FROM PAGE B4

Closely followed by the markets, the two rates are now at historic lows, after previous reductions in June.

The decision is intended to encourage commercial banks to grant more loans and at more advantageous rates.

Monday's measures -- which run counter to rising interest rates around the world as other major economies work to curb inflation -- aim to indirectly support economic activity as growth flags.

The long-awaited post-Covid recovery following the lifting of health restrictions at the end of 2022 has run out of steam in recent months.

In another sign that the recovery is faltering, loans to households fell last month to their lowest level since 2009.

To reinvigorate the economy, the central bank reduced the rate for its medium-term lending facility to financial institutions last Tuesday.

And financial regulators agreed Friday on the need for "financial support", while avoiding "risks and hidden dangers", state media reported.

Analysts polled by Bloomberg expected a bigger cut to the LPR following the Friday meeting.

In a note following the Monday announcement, Goldman Sachs economist Maggie Wei described the LPR cut as "disappointing", adding

that it "would not help with building confidence" as Chinese authorities pursue an economic recovery.

The move "can even backfire if market participants interpret these easing measures as policymakers' unwillingness to deliver even moderate policy stimulus", wrote Wei. Traders appeared unimpressed with the move, with Hong Kong stocks down 1.4 percent and Shanghai off 0.6 percent.

The central bank's decision comes as a crisis at property giant Country Garden, long deemed financially sound and now ultra-indebted, raises fears of a bankruptcy that could have dire consequences for the domestic financial system.



## Give priority to technical skills

Experts say  
STAR BUSINESS REPORT

Educational qualifications get higher priority than professional skills in case of judging any person's ability in Bangladesh, which is why the skilled ones remain unutilised and unrecognised in different sectors, experts said yesterday.

Every year 430,000 businesses in Germany offer apprenticeships to high school graduates, which help the students gain quick experience in the workplace along with obtaining higher education, said Professor Muhammad Shariat Ullah, chairman of the Department of Organisation Strategy and Leadership under Dhaka University.

The unemployment rate is also low in the European country thanks to the proper use of knowledge and skills, and Bangladesh should also focus now on utilising educational and professional gains of its population, he said.

The experts were speaking at a consultation on "TVET and apprenticeship: role of key stakeholders" jointly organised by the SME Foundation and Friedrich-Ebert-Stiftung (FES) Bangladesh at the Parjatan Bhaban in Dhaka's Agargaon yesterday.

**In advanced economies, there is a system of increasing skills through apprenticeships**

In advanced economies, there is a system of increasing skills through apprenticeships and formal recognition of those skills in other jobs, Deputy Education Minister Mohibul Hassan Chowdhury said at the event.

But this trend is not practised in Bangladesh because of flaws in the education system, he said.

The deputy minister thinks opportunities can be given to the interested students to gain apprenticeship work experience even after the completion of their secondary school.

Bangladesh currently has over 11,000 technical and vocational education and training (TVET) institutions, which offer courses of various durations ranging from three months to four years, said Professor Muhammad Shariat Ullah, chairman of the Department of Organisation Strategy and Leadership under Dhaka University.

Despite having so many TVET institutions, 70 percent of the Bangladeshis who went abroad in 2020-21 fiscal year had zero technical and vocational training, he said.



There is scope to directly hire apprentices in various sectors including agriculture, food processing, plastics, light engineering and ceramics sectors, said a senior official of a leading food processing company in Bangladesh.

PHOTO: COLLECTED

# Hosting data locally to save forex: experts

STAR BUSINESS REPORT

Hosting data locally by domestic companies would help Bangladesh save a huge volume of US dollars that are otherwise needed to store them abroad and ease the current foreign exchange crisis, experts said yesterday.

By ensuring that the data generated by telecommunication service providers, over-the-top platforms and other institutions is hosted within the country, prompt access to data can also be ensured, they added.

"As digital services surge, a huge volume of data is being generated and it requires storage. So, if Bangladesh facilitates the policy for local data hosting, domestic companies will grow in this field," said Mobarak Hossain, CEO of Plexus Cloud Ltd.

He was speaking at a workshop on cloud computing at the Amari Dhaka in the capital.

According to Hossain, if data is stored locally, access to data can be provided without internet and through local internet exchange and national internet

exchange (NIX) service providers.

The Internet Service Providers Association of Bangladesh has already launched its NIX service in a bid to keep data within the country.

**"As digital services surge, a huge volume of data is being generated and it requires storage. So, if Bangladesh facilitates the policy for local data hosting, domestic companies will grow in this field."**

The NIX is an exchange point used to pass internet traffic within the country. The service facilitates local content development, encourages local web hosting and reduces latency in domestic traffic, thereby saving international bandwidth and foreign currencies.

"Under the mechanism, we don't need internet," Hossain added.

He said local companies such as A Cloud Planet, which has a data centre and infrastructure and uses the OpenStack platform, can provide data services without internet as well as use international data with almost no cost.

OpenStack is an open-source cloud platform enabling customised cloud infrastructure. It offers scalability, multi-tenancy and hybrid cloud capabilities. Although it is cost-efficient thanks to its lack of licencing fees, initial investments in hardware and expertise are necessary.

Hossain said the local cloud is connected using local internet, which makes cyberattacks from other countries impossible.

"If there's any attack from within Bangladesh, it can be quickly stopped and legal actions can be taken. This makes our domestic cloud service completely secure."

Mustafa Jabbar, telecom minister, said data usage has now become essential. "It's our valuable asset and it demands secure storage."

"Once the concept of cloud was alien to Bangladesh. Today, in the digital era, the cloud is indispensable."

## Enlist good companies

### DSE urges merchant bankers

STAR BUSINESS REPORT

Dhaka Stock Exchange (DSE) yesterday urged merchant bankers to bring companies with good performance records to the stock market.

In a meeting with the country's merchant bankers at the premier bourse's head office at Nikunja, DSE Chairman Hafiz Muhammad Hasan Babu said such work should be done properly and enlistment done through initial public offerings (IPO).

For a stock market to be vibrant, it needs to have companies with good performance records and this is where the merchant bankers have a huge responsibility as they are supposed to bring in companies, he said.

There are many merchant banks in Bangladesh but very few companies became listed over the last couple of years, said the DSE chairman.

It is true that many companies with good performance records are not interested to go public for many reasons. The merchant bankers should sit with them, inform of the benefits of getting listing and convince them to get listed, he said.

Until such companies get listed with the stock market, the latter's contribution to the economy will remain poor, he added.

The DSE acting managing director, Shaifur Rahman Mazumdar, said the main task of the merchant banks was to bring good companies to the stock market to enhance its contribution to the economy.

Saydur Rahman, president of Bangladesh Merchant Bankers Association, also spoke.

## Salim Rahman elected as EC chairman of AIBL

STAR BUSINESS DESK



Salim Rahman has been elected as the chairman of the executive committee of Al-Arafah Islami Bank Ltd (AIBL) in the 390th meeting of the board of directors of the bank on Sunday.

Rahman is the managing director of KDS Group, said a press release.

Currently, the group consists of KDS Garments Industries Ltd, KDS Accessories Ltd, KDS Apparel Ltd, KDS Logistics Ltd, KDS IDR Ltd, KDS Textiles Ltd, KYCR Coil Industries Ltd, Steel Accessories Ltd, and KDS Poly Industries Ltd.

He had held the position of director of another private bank for 15 years before joining as a director of the AIBL.

Rahman obtained his master's degree in business administration from the USA.



Md Ashrafuzzaman, director of GPH Ispat, receives a certificate from Sheikh Faezul Amin, director general (additional secretary) of Bangladesh Accreditation Board, for ensuring the quality of the manufactured products at a certificate handing over ceremony held at Shilpa Bhaban in Motijheel recently.

PHOTO: GPH ISPAT

## GPH Ispat gets accreditation board's certificate

STAR BUSINESS DESK

GPH Ispat Quality Control Lab, a steel re-bar manufacturing company in Bangladesh, recently received accreditation certificate from Bangladesh Accreditation Board (BAB) for ensuring the quality of the manufactured products.

Sheikh Faezul Amin, director general (additional secretary) of BAB, handed over the certificate to Md Ashrafuzzaman, director of GPH Ispat, at a certificate giving ceremony held at Shilpa Bhaban in Motijheel, said a press release.

GPH has set up a state-of-the-art quality control lab on its own factory premises in Sitakunda, Chattogram from where it has been producing world-class steel by maintaining various international and national standards.

ASM Suman, chief research and project officer of the steel manufacturing company, Saiful Islam, head of laboratory, and other top officials from both the organisations were present.

## Konka launches another season of reality game show

STAR BUSINESS DESK

Electro Mart Ltd, manufacturer of the Konka brand of products, recently announced launching family-oriented reality game show "Konka Shera Poribar Season 2".

Md Nurul Afsar, deputy managing director of Electro Mart, made the announcement at a press conference at Holiday Inn Dhaka City Centre, said a press release.

Registration commenced on August 20 and will continue until September 20.

Mahmudun Nabi Chowdhury, general manager of sales and marketing, Md Jul Haque Hussain, national sales manager for retail operations, Ajoy Kumar Kundu, chief executive officer of Mediacom Ltd, and Ashfaq Uddin Ahmed, director of broadcasting company NTV, were present.



Md Nurul Afsar, deputy managing director of Electro Mart, attends a press conference over the launch of a family reality game show "Konka Shera Poribar Season 2" at Holiday Inn Dhaka City Centre in the capital recently.

PHOTO: ELECTRO MART

## Falling exports hit jute growers

FROM PAGE B1

"Besides, stockists who were active in the raw jute market in the last two years, are not buying this year as they have old stocks...They were unable to sell all the raw jute they had," he said.

The ratio of carry over stock would be over 20 percent in the sector, he added.

Farmers produced 84 lakh bales (one bale equals 180 kilogrammes) of jute in fiscal year 2022-23, up 0.3 percent year-on-year, according to the Bangladesh Bureau of Statistics.

Of the production, mills roughly use 65 lakh bales to make jute goods mainly for exports. A portion of raw jute is exported while the rest of the natural fibre is used locally, according to industry estimates.

### Lift import

FROM PAGE B1

85 on August 19 when India slapped the export duty.

Prices of imported onions grew at a faster pace over the last two days.

Consumers had to buy a kg of imported onion at as much as Tk 70 in the capital, up nearly 17 percent from Tk 60 on August 19, according to the market prices data compiled by the TCB.

The high prices of raw jute in the last two years prompted many carpet makers in importing counties to switch to alternatives to jute yarn, said Mohammed Mahbubur Rahman Patwari, a director of Bangladesh Jute Spinners Association, which represents yarn exporters.

"We have lost a significant portion of the market for this. There were blows on us for war in different parts of the world. Of late China, which was a good market for us, is also suffering from an economic slowdown," he said.

"Overall international demand for jute goods has tumbled," he said. He said the demand from mills was not enough to make use of all the raw jute available in the country.

"Earlier, both millers and stockiest had been active in the market. Now, stockists are not buying as they have stocks," said Patwari, also managing director of Sonali Aansh Industries

Ltd and a former chairman of Bangladesh Jute Mills Association.

He said India was a big buyer of raw jute.

Demand from the neighbouring country declined too, said Khondokar Alamgir Kabir, proprietor of Tashia Jute Trading at Daulatpur in the southwestern city of Khulna.

He said prices of raw jute of all grades have fallen this year.

Abu Sayed, general manager of Equ Jute Mill in Nilphamari, said the mill still has a good amount of last year's jute as it did not get the amount of orders from buyers as per its expectations.

"We still have not started making purchases as buyers' demand for jute bags and other finished goods is not satisfactory," he said.

(Our Pabna, Nilphamari and Faridpur correspondents contributed to the story)

## Apparel behemoths expanding

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when surplus wealth is generated, entrepreneurs go for new ventures and in Bangladesh, it is happening now.

"Now is the time for Bangladesh to take businesses to the next level as the opportunity has been created."

For instance, the business leader says, Bangladesh needs to produce textile machinery since the country is very strong in the sector.

The world's second-largest apparel shipper, Bangladesh's share in the global garment trade increased to 7.9 percent in 2022 from 6.4 percent in 2021, according to the World Trade Organisation.

Large groups' foray in the new sectors does not mean that they are deserting the old garment and textile sectors. Instead, they have invested

millions of dollars to set up green factories.

Currently Bangladesh is the global champion in green building having 200 LEED-certified factories while another 500 units await a similar recognition.

The Leadership in Energy and Environmental Design is the most widely used green building rating system globally.

Besides, local garment and textile millers are increasing the production of high-end value-added apparels in a move that would yield the prices that are higher than currently fetched by basic garment items.

"Small companies should be given the opportunities so that they can become bigger one day," Helaly added.





There are 168 tea estates in the country, according to Bangladesh Tea Association, a platform of tea garden owners.

PHOTO: STAR/FILE

## Long-term plan behind high tea production

DWOHA CHOWDHURY and  
SUKANTA HALDER

It was in 2007 when one of the country's largest tea-producing companies, Consolidated Tea and Lands Company (Bangladesh) Limited, initiated a long-term plan to increase tea production.

Fifteen years later, the plan is finally paying off as four gardens of the company, popularly known as Finlays Tea Company, have yielded the highest amount of produce last year.

Among these gardens, Rajghat Tea Garden in Moulvibazar's Sreemangal upazila yielded the highest production of 27,33,808 kilogrammes (kg) of tea, according to Bangladesh Tea Board (BTB).

Production per acre in the 5,816.77-acre garden was 469.99 kg, around 70 kg more than that in any other garden in the country.

There are 168 tea estates in the country, according to Bangladesh Tea Association (BTA), a platform of tea garden owners in the country. Of them, 25 gardens each sit on over 3,000 acres of land.

Three other gardens of Finlays have also achieved top production figures. These are Deanston and Balisera in Moulvibazar's Sreemangal and Rashidpur in Habiganj's Bahubal upazila.

These gardens produced 26,58,780 kg, 23,93,445 kg and 18,82,791 kg of tea respectively.

Their average production per acre was 331.77 kg, 276.61 kg and 337.76 kg.

"The company planned properly back in 2007/08 and started investing in plantation and irrigation systems," Tahsin Ahmed Chowdhury, chief operating officer for estates of the Consolidated Tea and Lands Company (Bangladesh) Limited.



"In recent years, while the industry has been facing irrigation problems due to adverse weather conditions, we have been benefiting from our irrigation system," he said.

"Furthermore, effective team management in completing routine tasks like application of fertilisers and timely spraying of pesticides has played a vital role in the increase in production," he said.

In terms of production per acre in gardens with more than 3,000 acres of land, Uttarbhag-Indanagar in Moulvibazar's Rajnagar, Karimpur in the same upazila, Majdihi in Sreemangal, and Rashidpur in Habiganj's Bahubal upazila follow suit.

These gardens produced 399.18 kg, 386.77 kg, 351.46 kg and 337.76 kg of tea per acre of land respectively.

Among these gardens, Majdihi and

Karimpur are owned by Duncan Brothers (Bangladesh) Limited while Uttarbhag is owned by Polymer Agro Industry Limited.

For Duncan Brothers, the story behind production being better is also the same.

"A good yield depends on various aspects such as soil condition, soil nutrition, plant clone, plant compactness, drought effects, termite invasion, and more," said Md Mustafizur Rahman, senior general manager for operations of Duncan Brothers (Bangladesh) Limited.

"A well-balanced synchronisation of human resources, from garden managers to those plucking the leaves, is also necessary," he said.

"Impacts of policies are not immediate but...the initiatives taken years ago are finally bearing fruit. However, we are still not satisfied with the yield, and the initiatives being implemented now will help increase production in the future," he said.

While production is increasing, officials concerned also speak of challenges affecting growth. These challenges include adverse weather, low tea prices in auctions and labour unrest.

"Labour unrest cost 1.8 million kg of tea last year," said Tahsin of the Consolidated Tea, who is also a central committee member of the BTA.

"Besides, low price of tea in auctions is also affecting the industry. This issue should be properly addressed by the government," he urged.

"Tea plantation demands continuous funding and post-planting care is capital-intensive," said Mustafizur of Duncan.

"Challenges like higher labour costs and material expenses are hindering our long-term plans. Government aid in the form of affordable bank financing can help sustain the industry," he said.

In the past decade gardens have grown while new planting and replanting are also taking place, said Kamran Tanvirur Rahman, chairman of the BTA, recently.

"If the population increases, if the economic condition of the people is good, the purchasing power will be boosted further. Consumption will increase in the coming days," he said.

"That's why tea garden owners are investing every year. It's an ongoing process," he added.

In 2022, the country produced 9.4 crore kg of tea, up from 6.6 crore kg in 2013, according to the BTB.

Moulvibazar's 90 tea gardens account for 55 percent of the production. Habiganj comes in second, contributing to 22 percent of the tea produced.

Bangladesh is currently listed as the world's eighth largest tea producer, accounting for about 2 percent of the total production.

## Settle UAE trades in rupee, dirham

### India cenbank nudges banks

REUTERS, Mumbai/New Delhi

India's central bank is nudging local banks to ask their clients to settle trade between the United Arab Emirates and India using the dirham (AED) or Indian rupee (INR) to reduce US-dollar-based transactions, five sources told Reuters.

The move is part of the Reserve Bank of India's broader aim of promoting settlement in local currencies with countries with which India has a trade deficit, with the knock-on effect of boosting the rupee's global reach, three banking sources said.

India's trade deficit with the UAE was \$21.62 billion in 2022/23, or 8.2 percent of its total deficit, government data shows. In July, the two countries agreed to facilitate trade in rupees instead of dollars.

The idea, a government source said, was to reduce the outflow of dollars on account of this trade deficit.

"The RBI has asked banks to encourage clients and corporates to initiate INR-AED trades gradually, instead of using the dollar," said a treasury official at a private bank.

An RBI official communicated this message verbally to foreign exchange dealers at a seminar this month, four sources said. This communication has not been previously reported.

None of the sources wished to be named because they are not authorised to speak to the media. The RBI and trade ministry did not respond to a Reuters email seeking comment.

The RBI may consider setting internal targets for the quantum of India-UAE trade it would like to see moved away from dollars, said the government source.

The central bank is "keen that volumes of such trades go up" and "has assured the market that they will be ready to support banks with INR-AED trades," this banker said.

While data on such cross-currency trade volumes is not publicly available, at least three bankers said the current volume is low and may act as a hurdle for corporates to pay for the entire import in dirhams.

Indeed, earlier this month, Indian Oil Corp paid Abu Dhabi National Oil Co (ADNOC) in rupees to buy a million barrels of oil.

"The RBI is telling banks to first encourage large clients and corporates to start INR-AED trades because their balance sheets are relatively stronger," another banker said.

But large corporates have, so far, been reluctant in engaging in non-dollar denominated deals, said a banker with a state-run firm.

With smaller companies, on the other hand, bankers have pushed for such transactions by offering discounted service charges as an incentive, the banker said.

## Rupee ends flat

REUTERS, Mumbai

The Indian rupee ended little changed after trading in a narrow band on Monday, on likely dollar-selling intervention by the central bank which helped the currency navigate the decline in its Asian peers.

The rupee closed at 83.1075 per US dollar compared to its close of 82.1025 on Friday. On the other hand, the Chinese yuan, the Korean won and the Indonesian rupiah dropped 0.3 percent to 0.4 percent each.

The Reserve Bank of India likely sold dollars in the NDF (non-deliverable forward) and the OTC markets to prevent the rupee from falling towards its record low of 83.29 that it hit in October last year.

Over the past few sessions, the USD/INR has been holding within a range of 83.00 to 83.20, SMC Global Research said in a note.

A breakout from the longstanding resistance of 83 signifies the dollar's uptrend, SMC report said.

The offshore Chinese yuan dropped to 7.3360 to the dollar, not far from its year-to-date low. The currency, pressed by worries over Sino-US interest rate differentials and China's growth outlook, has dropped more than 2.5 percent this month.

## Lankan inflation halves to 4.6%

REUTERS, Colombo

Sri Lanka's consumer inflation rate more than halved to 4.6 percent year-on-year in July, helped by falling food prices, the statistics department said on Monday.

The National Consumer Price Index (NCPI) captures broader retail price inflation and is released with a lag of 21 days every month. In June consumer inflation stood at 10.8 percent. Food prices fell 2.5 percent in July from a year earlier, after rising 2.5 percent in June year-on-year, the Department of Census and Statistics said in a statement.

Prices for non-food items rose 10.9 percent in July after rising 18.3 percent year-on-year in June.

Since June, Sri Lanka's inflation has come down sharply from the runaway levels seen earlier, partly due to the statistical base effect, but also helped by a stronger rupee currency, which has lowered the costs of fuel, power and imported food.

Sri Lanka's \$2.9-billion bailout secured from the International Monetary Fund (IMF) in March has topped up foreign reserves, which had dwindled to record lows in early 2022, plunging the island into its worst financial crisis in more than seven decades.

"Inflation is likely to remain under 5 percent, largely because of the high base effect. We are unlikely to see demand side pressures that could push up inflation in the next few months," said Udeeshan Jonas, chief strategist at equity research firm CAL.

Encouraged by inflation easing faster than expected, Sri Lanka's central bank cut policy rates by a combined 450 basis points in June and July this year, after raising them by a record 1,050 basis points between April 2022 and March this year.



A woman takes a selfie at a shopping mall in Beijing on August 16. China's long-awaited post-Covid recovery following the lifting of health restrictions at the end of 2022 has run out of steam in recent months.

PHOTO: AFP

## China cuts key interest rate to support economy

AFP, Beijing

China's central bank on Monday cut a key interest rate in an attempt to counter the post-Covid growth slowdown in the world's second-largest economy.

Activity has been dragged down recently by uncertainty in the labour market and global economic sluggishness, weakening demand for Chinese goods.

Financial troubles in the real estate sector, with several leading developers on the verge of bankruptcy and struggling to complete projects, also pose a major obstacle to growth.

The People's Bank of China said on Monday cut the one-year loan prime rate, which serves as a benchmark for corporate loans, from 3.55 percent to 3.45 percent.

However, the five-year LPR, which is used to price mortgages, was held at 4.2 percent. READ MORE ON B2