

Star BUSINESS

Anxiety has gripped tea producers as both sales and prices at the weekly international tea auction in Chattogram are experiencing a drastic fall



Story on B4

CHICKEN PRICE Kazi Farms, Suguna fined Tk 8cr for unusual hike

SUKANTA HALDER

Bangladesh Competition Commission fined Kazi Farms Tk 5 crore and Suguna Food and Feeds Bangladesh Tk 3.44 crore in two cases for unusual increase in broiler chicken prices.

The companies were fined for violating Section 15 of the Competition Act, 2012, Pradip Ranjan Chakraborty, chairperson of the commission, said.

The Section 15 of the Competition Act says that no person shall directly or indirectly enter into any agreement or collusion – in respect of production, supply, distribution, storage or acquisition of any goods or services – which causes or is likely to cause an adverse effect on competition or creates monopoly or oligopoly in the market.

The two companies will have to pay the fine in 10 working days, he said. For failure to clear the fine in time, the two will have to pay an additional fine of Tk 1 lakh every day, Chakraborty said.

The two companies can also appeal against the verdict to the commerce ministry, he said.

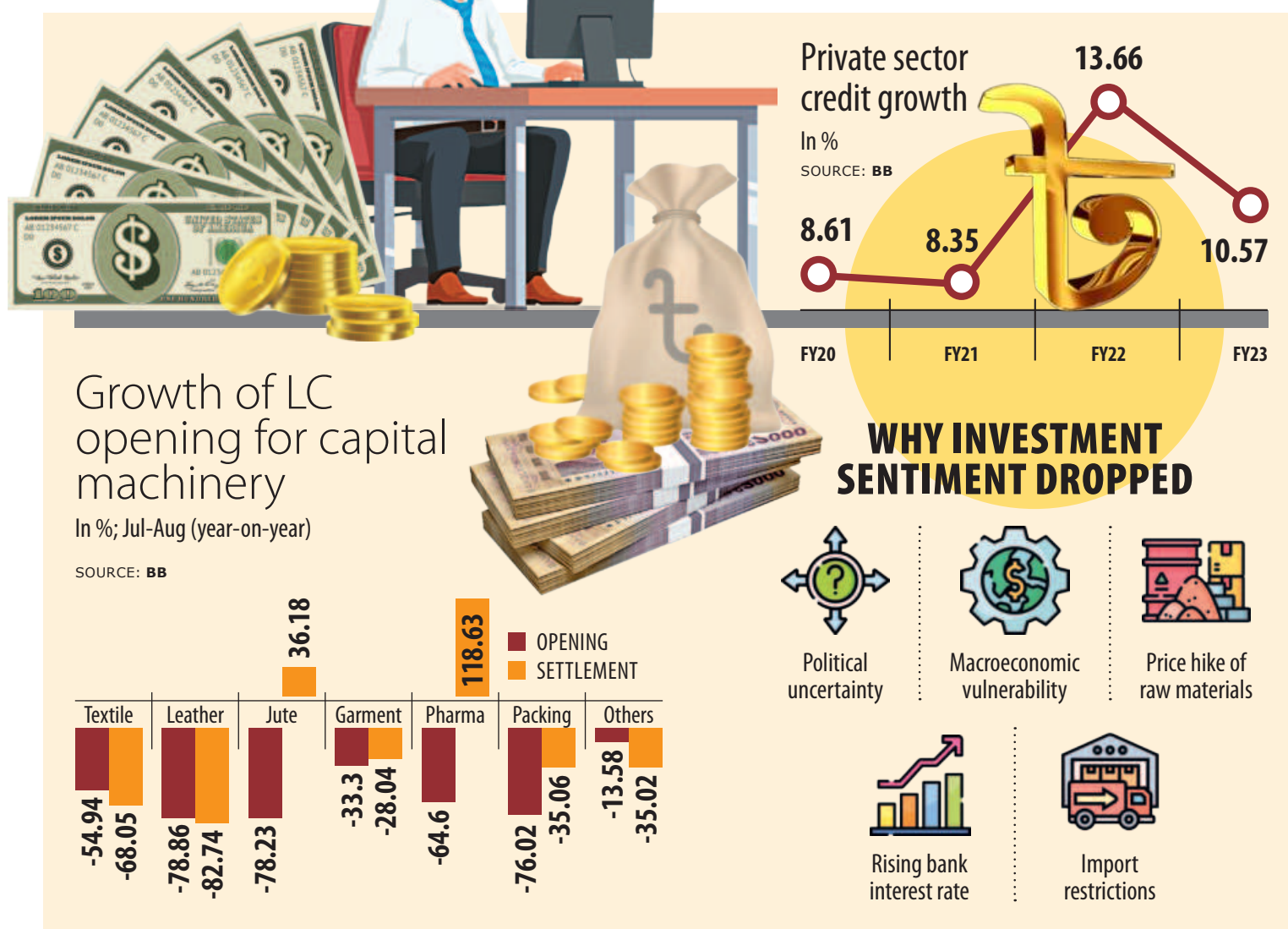
In September last year, the competition commission filed 44 cases against a host of individuals and organisations, accusing them of creating an artificial crisis that led to abnormal hike in the prices of items like rice, flour, eggs, poultry and toiletries.

Kazi Farms and Suguna Food and Feeds Bangladesh Private Limited were also among those sued.

The commission operates under the commerce ministry and is empowered to probe, try, and punish errant companies for breaching competition laws. The commission operates under Competition Act, 2012, which allows it to dispose of cases without going to a court.

James Amalanathan, country head of the Suguna, said, "I don't understand why they have fined us. This is baseless. We have given explanation from our end and all the data...We are going for an appeal."

Kazi Farms didn't reply to phone calls and messages sent by The Daily Star for comment on the matter.



No good news in investment as well

JAGARAN CHAKMA and SOHEL PARVEZ

With major indicators showing stress in the economy, there is no good news in the investment flow either as investors now prefer to stay away from taking new projects or expanding their existing capacity.

Apart from challenges such as high inflation, difficulties in import for the US dollar crisis and rising bank interest rates, growing political uncertainty has worsened investment sentiment.

This reflects a bleak prospect for job seekers and a lack of economic expansion, casting doubt over the government's 7.5 percent GDP growth target for the current fiscal year.

Last week, the World Bank revised down Bangladesh's growth forecast for fiscal 2023-24 to 5.6 percent as the economy is expected to remain stressed throughout the year thanks to persistent inflation and external challenges.

Entrepreneurs said private investment flows usually remain subdued ahead of any general election. This year, the economic challenges have made the situation worse.

Take the case of registration of investment proposals at

the Bangladesh Investment Development Authority (Bida), which dipped in the last fiscal year.

The registration of investment

proposals by local and foreign investors slumped 39 percent year-on-year compared to the July-May period of the previous

Bida data shows that during the July-May period of fiscal 2022-23, foreign and domestic investors placed proposals amounting to \$9.4 billion in different sectors, down from \$15.30 billion during the corresponding period of the previous year.

This was mainly due to a slide in investment registration by local entrepreneurs.

The lack of appetite for investment is also visible from the sharp decline in opening letters of credit (LCs) for importing capital machinery in fiscal 2022-23 and the downward trend continued this year too.

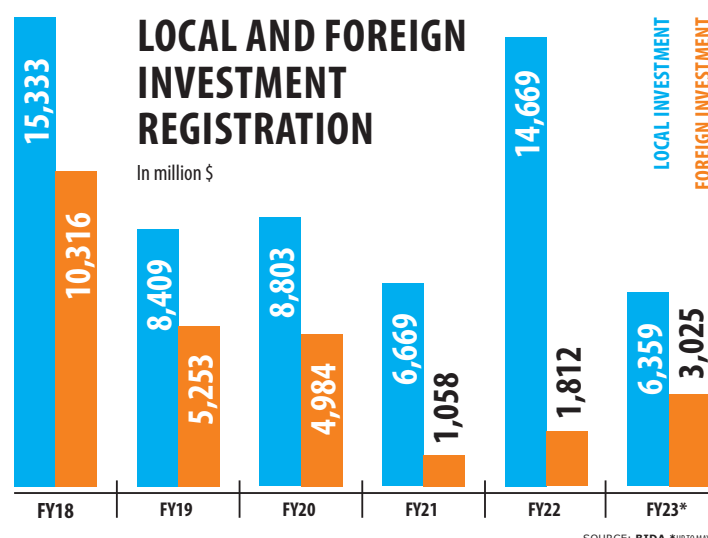
Data of Bangladesh Bank shows that LC opening to import capital machinery plunged 22 percent year-on-year to \$381.8 million during the July-August period of fiscal 2023-24.

Besides, the settlement of LCs slumped 35 percent to \$490 million in the first two months of the current fiscal compared to the same period a year ago.

The biggest dip in LC opening was recorded in the leather industry followed by the jute and packing sector.

LC opening for importing machinery for the pharmaceutical industry declined 65 percent. Similarly, LC opening for textile

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IMF team asks about plan to cut subsidies

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The visiting International Monetary Fund (IMF) mission yesterday inquired about the government's plans to reduce energy and fertiliser subsidies, which have been increasing in recent years.

The IMF mission, led by its chief Rahul Anand, raised the issue during various meetings held with different departments of the finance ministry.

A finance ministry official said they informed the IMF mission that the government does not have any plan to reduce subsidies on fertiliser at present, but added that there were plans to gradually reduce subsidies in the energy sector.

During yesterday's meetings, the IMF mission also wanted to know how the issue of arrears of Tk 50,000 crore for subsidies in the power, energy and fertiliser sectors in the last fiscal year would be addressed.

The government has projected around Tk 110,000 crore as subsidies for the current fiscal year.

The visiting IMF mission yesterday also held a meeting with the Bangladesh Bureau of Statistics officials, including its Director General Matiar Rahman.

At the meeting, the IMF mission wanted to know when the BBS would publish its quarterly GDP report.

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DEFAULT LOANS Cold storage owners get one more month for rescheduling

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Bangladesh Bank yesterday gave cold storage owners another month, until November 30, to apply for rescheduling their default loans.

The timeline has been extended because a majority of clients are yet to apply, said the central bank.

In a July 13 circular, the banking regulator said banks would be able to reschedule the default loans of cold storages, which are mainly used in the country to preserve potatoes.

Depending on the relationship with the customer, banks can allow a maximum of 10 years, including a one-year grace period, for the loan to

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STOCKS	
DSEX ▼	CASPI ▼
0.12%	0.04%
6,229.60	18,470.23

COMMODITIES	
Gold ▼	Oil ▲
\$1,847.85	\$86.17
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.73%	▼ 0.26%	▼ 0.25%	▼ 0.44%
65,512.39	30,994.67	3,166.51	3,096.92



Small sweetmeat makers say that the new BSTI move would lead to harassment and impede their business. The photo was taken from Khulna city yesterday.

PHOTO: HABIBUR RAHMAN

BSTI mark mandatory for 36 more products

AKANDA MUHAMMAD JAHID

The use of the Bangladesh Standards and Testing Institution's (BSTI) standardisation mark has been made mandatory for 36 new products, including LPG cylinders, pressure cookers, microwave ovens and sweetmeats.

The BSTI has taken the move to ensure the quality of the products and consumers' rights.

However, it created dismay among those who run small-scale operation to produce such products.

Among them are the sweetmeat makers, who opine that it would lead to them being harassed and impede their business.

Other products include green tea and malt-based food, chutneys, soy sauce, decorated cake, curd (chhana) and different types of cheese.

The list also contains beauty products such as hair creams, kajal, face packs and different types of soaps, bitumen and bituminous products, cookstoves and cooking solutions and industrial safety helmets.

Hessian and textile jute bags, nonwoven wipes, silk fabrics, synthetic mosquito nets, towels, lead-acid batteries, uninterruptible power systems (UPS), single-phase small AC, electric motors and toothbrushes also need to have the mark.

The manufacturers must use the BSTI standardisation mark in labels or in the bodies of the products, the state-run agency said in a circular issued on September 25.

In another notification issued on the same date, the BSTI said it has also banned sale, distribution and commercial advertisement of products not produced as per the agency's standards.

In order to use the standardisation mark or BSTI logo, the producers have to first get their product standards tested at the BSTI

The watchdog for monitoring food items and manufacturing products also said the circulars would come into effect two months after their publication.

Md Reazul Haque, deputy director at the certification marks wing of the BSTI, said they have set standards for 4,200 products so far.

Of them, the mark is mandatory for 274 products, including the new ones, he said.

In order to use the standardisation mark or BSTI logo, the producers have to first get their product standards tested at the BSTI, he said.

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