

Prices of latex, rubber sheets keep falling, hitting growers

JAGARAN CHAKMA

The prices of latex and rubber sheets have continued to fall in Bangladesh, depriving growers of a better return, although manufacturers and exporters are offering higher rates to suppliers.

Latex is a sticky, milky and white colloid drawn off by making incisions in the bark. It is then refined into rubber to make it ready for commercial processing.

In the last six months, the price of latex has fallen by Tk 7 per kilogramme to Tk 43 while that of rubber sheets has gone down by Tk 10 to Tk 130, figures from the Bangladesh Rubber Garden Owners' Association (BRGOA) showed.

Processors, however, say they buy grade 1 rubber sheets at Tk 194 per kg, grade 2 at Tk 175, and grade 3 at Tk 165, meaning middlemen who supply to processors make a significant profit at the expense of growers, garden owners allege.

A total of 67,939 tonnes of latex were produced in the country in 2022, up 58 percent from 43,000 tonnes in 2021 thanks to an increase in the area under cultivation, according to the Bangladesh Rubber Board (BRB).

Syed Moazzam Hossain, president of the BRGOA, said gardens don't supply latex and rubber sheets directly to processors. Rather, they sell the items through middlemen or suppliers since they don't have scopes to preserve the perishable items.

"Middlemen are taking advantage of the situation."

Mohammad Kamal Uddin, a former president of the BRGOA, said the price of rubber has increased in the global market in the past six months whereas it has declined in Bangladesh.

In Bangladesh, rubber is grown on 140,000 acres of land in 1,304 private gardens and 28 government-owned estates, mostly in the Chattogram region, according to the BRB.

The size of the domestic raw rubber market is about Tk 1,050 crore, Kamal said. Rubber gardens have collectively invested Tk 2,500 crore in the sector and have created around 150,000 jobs directly.

Tarun Kanti Chakma, vice president of the Indigenous Rubber Garden Owners



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PHOTO: STAR/FILE

Association in Khagrachhari, said gardens have been selling raw rubber at Tk 35 per kg since the production season began in October.

"We don't get reasonable prices as we can't process latex."

He said gardens are not getting the expected prices although the production cost has increased due to a spike in labour costs in hilly areas amid a rising cost of living.

Chakma, however, admits that the industry is viable despite the low price as gardens will continue to produce the raw material for a longer period.

Arfanul Hoque, head of retail at Bata

Shoe Company (Bangladesh), says the multinational company uses at least 80 percent locally processed rubber in making sandals.

Meghna Innova Rubber Co Ltd, a concern of Meghna Group that exports bicycle tyres and tubes, uses 100 percent rubber produced in the country.

The company purchases rubber sheets of grade-1 at Tk 194 per kg, grade-2 at Tk 175, and grade-3 at Tk 165 from Bangladesh Forest Industries Development Corporation (BFIDC)

although the prices averaged Tk 160 six months ago, said Luthful Bari, director for operations at Meghna Group.

"This has increased the production cost for manufacturers."

The BFIDC has raised the price of rubber sheets for the spike in the production cost, said Nesar Ahmed, director for production and commercial at the state-run corporation.

The export price of grade-1 rubber sheets is \$1,765 per tonne, grade-2 is \$1,581 per tonne, and grade-3 is \$1,493 per tonne.

Rubber exports fetched \$9.82 million in July to October of the current fiscal year, up around 10 percent year-on-year, data from the Export Promotion Bureau showed.

Bajaj Pulsar N250 now in Bangladesh

STAR BUSINESS DESK

Bajaj Auto and Uttara Motors jointly launched the Pulsar N250 Motorcycle in the Bangladeshi market.

Pranay Verma, Indian high commissioner to Bangladesh, graced the inauguration ceremony as chief guest, read a press release.

Verma congratulated Uttara Motors and Bajaj Auto on the launch of the Bajaj Pulsar N250 motorcycle in Bangladesh, saying it showcased the strength of both India and Bangladesh in the automotive sector.

The high commissioner underscored that the Indian industry was in an ideal position to meet the growing demand for automobile products in Bangladesh, including through new partnerships



Pranay Verma, Indian high commissioner to Bangladesh, and Matiur Rahman, chairman and managing director of Uttara Motors Ltd, attend the launching ceremony of Bajaj Pulsar N250 motorcycle jointly launched by Bajaj Auto Ltd and Uttara Motors Ltd in Dhaka yesterday.

PHOTO: UTTARA MOTORS

Advertisement of General Meeting

European Union (EU) economic operators in Bangladesh are hereby given notice that in order to strengthen EU-Bangladesh trade and investment relations, a Chamber of Commerce in the name of "European Union Chamber of Commerce in Bangladesh (EuroCham)" (proposed) is going to be established under the section 3(2) of the Trade Organisation Act 2022. A name clearance has been secured from the Ministry of Commerce.

EU economic operators interested to join this Chamber are requested to attend the General Meeting taking place on 05 December at 2pm at the EU Delegation to Bangladesh (Plot 7, Road 84, Gulshan 2, Dhaka 1212). Please confirm your participation to this email: Cherrie.DIO@eeas.europa.eu

Any suggestion regarding the proposed Chamber may be relayed to the Director, Trade Organisation, Ministry of Commerce, Bangladesh Secretariat, Dhaka.

Ms. Nuria Lopez Labrador, Coordinator of the proposed European Union Chamber of Commerce in Bangladesh (EuroCham).

Income tax act lacks pro-people attitude

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Business Initiative Leading Development (BUILD) organised the seminar at its office in the capital's Motijheel, where experts, former and current senior officials of the NBR, journalists and chartered accountants participated.

Since it is a new act, the NBR should have played a proactive role before passing the law so it could be a more pro-people policy, Alamgir added.

He suggested taking initiatives to disseminate information about the act.

The act was passed mainly to expand the tax net and to increase the tax-GDP ratio from around 8.9 percent to 17.4 percent by 2031 and to 21.9 percent by 2041.

The government will not only collect tax from people in cities, but also from other areas, where many are unaware that the act has been passed and what its implications are.

Muhammad Abdul Mazid, former NBR chairman, echoed Alamgir's sentiments, saying the act was not well-discussed at the grassroots level.

Dhiman Kumar Chowdhury, chairman of the department of accounting and information systems at the University of Dhaka, said the structure of the NBR needed to be reformed and that independent intellectuals should be incorporated into the board.

Hasan Mahmood, partner at MJ Abedin and Co, said there was discrimination in the payment of tax on pension funds and other savings measures.

GM Abul Kalam Kaiacobad, member (Tax Audit Intelligence and

Investigation) of the NBR, said tax files would not be investigated and audited for silly reasons.

Before the current act was passed, tax rules were applied under the Income Tax Ordinance 1984, which was made time befitting almost every year.

Snehasish Barua, partner at Snehasish Mahmud & Co, and Md Nooruzzaman, senior research associate at BUILD, presented two separate keynotes at the event. Ferdous Ara Begum, chief executive officer of BUILD, also spoke.

Bangladeshi couple in US gets recognition

STAR BUSINESS REPORT

Faraz Munaim and Sabrin Chowdhury, a Bangladeshi couple residing in the US, have been recognised for their hard work and dedication to the US financial market in their roles with Goldman Sachs and PIMCO respectively.

Faraz was selected in this year's class of managing directors of Goldman Sachs, a leading global financial institution based in New York.

He is the son of late Syed Fahim Munaim, a prominent journalist, and Nadia Munaim. His grandfather is Matiul Islam, the first finance secretary of Bangladesh.

Meanwhile, Sabrin, the daughter of a Bangladeshi US couple, was honoured by Markets Media Group in conjunction with the WIF Advisory Board at this year's US Women in Finance Award 2023 in the category of Excellence in Inclusion and Diversity.

She is an executive vice-president at PIMCO (Pacific Investment Management Company), located in California.

After completing his bachelor's in Economics from Harvard, Faraz joined Deutsche Bank in 2006 in New York, where he became a director by 2014.

In 2015, he moved to Goldman Sachs as a senior vice president.

Sabrin completed her Master's in Business Administration (MBA) from the Kellogg School of Management at Northwestern University and another Master's in Public Administration (MPA) from Harvard. She joined McKinsey & Company in 2013 and moved to PIMCO in 2021.

Sabrin acknowledged her family for her success and said her husband was her biggest supporter.

China raises crude import quotas

REUTERS, Beijing Singapore

China has issued an additional 3 million metric tons in fuel oil import quotas in 2023 for non-state firms, according to a notice released by the country's Ministry of Commerce on Monday.

The additional quota takes the total for 2023 to 19.2 million tons, following the 16.2 million tons in non-state fuel oil import quotas issued at the start of the year.

The price premium on M100 fuel oil over Singapore MOPs 380cst rose to \$80 per ton in late November, up from around \$60 to \$65 per ton in October due to strong demand from China amid tight supply of low sulphur feedstock, trading sources said.

4.66 lakh migrants returned

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process" for many Bangladeshi who have worked abroad for a long time to return home permanently.

Also, reasons such as loss of jobs force many to return home, he said.

However, it needs to be analysed whether the Covid-19 pandemic and post-pandemic situation have impacted the return of the Bangladeshi expatriates, he added.

"Whether there are any additional reasons needs to be looked at," said Prof Raihan, adding that different researches had shown that Bangladeshi returned home after losing their jobs in host countries amid the pandemic.

Prof Raihan also said the census had

"underestimated" the number of foreigners living in Bangladesh.

The number of foreigners living in Bangladesh is supposed to be several times higher than the figure shown in the BBS report, he said, adding that many foreigners work in Bangladesh informally and without valid work permits.

In a recent report, migrant advocacy group Refugee and Migratory Movements Research Unit (RMMRU) showed that detention and subsequent deportation, failure to get jobs abroad, and employer's violation of providing promised jobs and wages were among key reasons for the untimely return of 218 Bangladeshi migrant workers.

The survey found that

34 returnees, including 16 without valid work permits and 11 without valid visas, were detained and deported.

Meanwhile, 33 migrants returned as they could not find employment while 44 migrant workers returned as jobs and wages did not live up to the promises made by recruiters.

Other reasons include employer's misconduct, low wage, and physical illness.

In a paper presented while revealing the survey's findings at a city hotel, RMMRU Founding Chair Prof Tasneem Siddiqui mentioned that untimely returns had become a "common phenomenon".

After making a "huge investment", a section of migrants returns before

completing their stipulated period of work, she said in her paper.

According to the results of the BBS census, 5,053,358 Bangladeshi citizens were staying abroad for at least six months preceding the census enumeration or had gone with the intention to live abroad for at least six months.

The rate for Sylhet is 40.61 percent was recorded in Chattogram division followed by 28.32 percent in Dhaka division, the report says.

The rate for Sylhet is 11.34 percent, Dhaka 6.07 percent, Rajshahi 5.33 percent, Mymensingh 3.05 percent, Barishal 3 percent and Rangpur 2.28 percent, it added.

Bangladesh Lamps Limited

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NOTICE TO THE SHAREHOLDERS/ INVESTORS

[Transfer of Unpaid/Unclaimed Cash Dividend for the year 2019-2020 to the Capital Market Stabilization Fund]

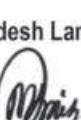
Notice is hereby given that pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021 and the Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021, cash dividend, which remains unpaid or unclaimed or unsettled or undistributed for a period of 3 (three) years from the date of declaration or approval or record date or date of subscription or refund, as the case may be, are required to be transferred by the Company to the Capital Market Stabilization Fund (CMSF).

The concerned Shareholders/Investors are requested to claim the unpaid/ unclaimed cash dividend amount for the year 2019-2020 on or before 27 December 2023 with proper supporting documents at the Share Office of the Company.

Pursuant to the said BSEC Rules, the details of the concerned Shareholders/ Investors whose dividend amount are subject to transfer to CMSF have already been published on the Company's website: www.bl.com.bd

The Shareholders/Investors are requested to note that in case the Company does not receive any valid claim by 27 December 2023, the Company shall with a view to comply with the requirements of the said BSEC Directive and Rules, initiate the necessary actions to transfer the said dividend to the CMSF within the stipulated time.

For Bangladesh Lamps Limited



Mohammad Ruhan Miah
Company Secretary

TRANSTEC
ON and AHEAD

Dhaka
28-11-2023