

## Traders get nod to import 124,000 tonnes of rice

STAR BUSINESS REPORT

The government has allowed private traders to import another 124,000 tonnes of parboiled and sunned rice after giving the go-ahead to bring in 83,000 tonnes of the same kind of rice nearly a month ago.

This time, 91,000 tonnes of parboiled rice will be imported and 33,000 tonnes of sunned rice, the food ministry said in a notification on Tuesday.

The new move comes more than a month after the National Board of Revenue (NBR) slashed the related import tariff.

The importers will have to market the entire 124,000 tonnes by May 15, according to the notification.

Over the last month, prices of coarse rice, consumed mostly by low-income people, rose 2 percent to between Tk 48 and Tk 52 per kilogramme in Dhaka.

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Md Lokman Mollah planted these sunflower plants in the middle of December and hopes to harvest the seeds at the end of April. He plans on pressing the seeds at local mills to extract the oil and sell it for about Tk 300 per litre. The photo was taken at Bhorotkathi village of Jhalakathi district recently.

PHOTO: TITU DAS

## aamra networks' Q3 profit up 26%

STAR BUSINESS REPORT

Profits of aamra networks increased 26 percent year-on-year in the third quarter of the current fiscal year of 2023-24 driven by its IT support, software services and internet data sales.

In a Dhaka stock Exchange website disclosure yesterday, the company attributed it to "efficient cost control" measures.

According to its financial statements, the net profit increased to Tk 7.84 crore during the January-March period.

During this time, the company's revenue earning stood at Tk 30.20 crore whereas it was Tk 29.96 crore in the same period of the previous fiscal year.

Similarly, earning per share (EPS) amounted to Tk 1.26 and Tk 1.01 respectively.

For the July-March period, it was Tk 3.64 and Tk 3.25 respectively.

The company's share price closed at Tk 39.30 yesterday, undergoing a 3.69 percent increase from that on the previous day.

Company sources said they managed to provide services during the pandemic to a number of

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# Wood plastic composites gaining popularity

The wood alternative used in kitchen cabinets, doors is witnessing double-digit growth in sales

JAGARAN CHAKMA

Wood plastic composites in the form of kitchen cabinets, bathroom and balcony doors are slowly gaining popularity in Bangladesh for being an alternative to wood, according to industry insiders and realtors.

The composites are a combination of wood particles or fibres and thermoplastics, meaning those that are mouldable at a certain elevated temperature and solidify upon cooling, offering a durable and low-maintenance alternative.

There is no credible data on the annual market sales of such composites.

However, the manufacturers believe it crossed Tk 250 crore over the last decade whereas annual sales of doors made of all types of materials stands at around Tk 3,000 crore.

The products have been witnessing a double-digit growth in sales on being introduced to the market just a decade ago although the use of such products started in developed countries many years ago, they said.

Now, there are at least three manufacturers in the country -- Pran-RFL Group, N Mohammad Group, and National Polymer Group.

National Polymer Group recently made a fresh investment of Tk 80 crore in the manufacturing of wood plastic composites.

"We started commercial production just three weeks ago at our factory in Tongji's Cherag Ali area," said Riad Mahmud, managing director of National Polymer Group.

"We had a target to start commercial

production earlier but postponed it due to the general elections," he added.

Currently, the wood plastic composite market is almost wholly dependent on imports as manufacturers cater to a fraction of the market and that is why National Polymer Group wants to grab a bigger portion of the sales.

Wood plastic composites look like natural wood but absorb very little moisture while the price is almost 50 percent less than that of teak, a good option for those seeking the looks but not the high price tag.

**Now, there are at least three manufacturers in the country -- Pran-RFL Group, N Mohammad Group, and National Polymer Group**

Each door, priced at around Tk 14,000, is very durable and can last a long time. Besides, they are environmentally friendly for being made from recycled materials and for being recyclable, Ali claimed.

It is one of the most dynamic sectors in the plastic industry in Bangladesh and may altogether replace wood meant for the manufacture of doors, he said.

The sales are increasing steadily as they are a good alternative to wood while being more durable than plastic.

According to him, their new production line is churning out nearly 8,000 doors a month and the output will gradually increase in the future.

According to their market assessment, the annual sale of wood plastic composite doors

amounts to around Tk 240 crore to Tk 250 crore.

Besides, they are producing wood plastic composite sheets of 180 tonnes per month.

Mohammad Plastic Industries, a concern of Chattogram-based N Mohammed Group, has been manufacturing wood plastic composites on a limited scale for around a decade.

Mohammad Nazrul Hoque, managing director of the group, said they manufacture 120 doors per day and mainly cater to the port city market while the doors were gaining more popularity than non-plasticised polyvinyl chloride or UPVC doors.

"We are supplying wood plastic composites to renowned real estate companies across the country, including bti, and retailing them in the market," he claimed.

Ayesha Siddika, executive director (brand and communications) at real estate developer Building Technology and Ideas (bti), said they use wood plastic composites in bathrooms, kitchens and balconies as it is a waterproof, durable and environmentally friendly material.

However, she said the attraction for natural wooden doors will never die down.

Kamruzzaman Kamal, marketing director of Pran-RFL Group, said they entered the wood plastic composite market a few years ago as they understood that its demand would grow as an alternative to wood.

Besides, it is durable and since it resembles original wood, it looks better than plastic, he said.

He believes it is just a matter of time before wood plastic composites gradually dominate the market for doors.

## Padma Islami served show cause notice over Tk 211cr unsettled claims

SUKANTA HALDER

The Insurance Development and Regulatory Authority (IDRA) has given Padma Islami Life Insurance five working days to explain why they should not be penalised for failing to settle claims amounting to Tk 211.82 crore last year.

The IDRA had served a show cause notice in this regard on April 8 based on the insurer's unaudited financial reports for the 2023 calendar year.

As per the Insurance Act 2010, claims must be settled within 90 days of a policy reaching maturity.

The claims owed to policyholders of Padma Islami amounted to Tk 233.70 crore in 2023, of which the company paid out just Tk 21.88 crore, according to an IDRA document.

The insurance regulator also mentioned that it is a punishable offence for Padma Islami to not pay these dues, especially as they have an investment portfolio amounting to Tk 190.69 crore.

On condition of anonymity, an IDRA official said Padma Islami was unable to settle claims due to an ongoing liquidity crisis resulting from irregularities, including intentionally making bad investments.

"They invested in sectors that are bad. This is not the work of a good company," the official added.

The official also informed that the company's life fund is in the negative.

A life fund is a fund that is paid to and invested by insurance companies for life insurance, and from which money is paid when a policyholder dies.

Noor Mohammad Bhuiyan, chief executive officer of Padma Islami, said they could not pay the majority of claims in 2023 because the company is facing a cash crunch.

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## ADN Telecom plans to make telecom devices

STAR BUSINESS REPORT

ADN Telecom, a leading IT and telecommunication service provider in Bangladesh, has availed land to set up facilities and locally manufacture telecommunication devices to substitute imports, according to company officials.

"We are at the initial stage and have just availed the land for the factory. We have a plan to set up the facility at Bangabandhu Sheikh Mujib Hi-Tech Park in Sylhet," said Company Secretary Md Monir Hossain.

However, he said they were yet to finalise the type of telecommunication device that they would manufacture or how much investment would be required.

According to him, they would conduct a feasibility study before investing in the manufacturing of any device.

"It is tough to grab the telecom device market as consumers in Bangladesh are very careful about purchasing any such device. Besides, consumers do not rely on local products even though some companies are producing quality products," Hossain said.

"So, we will enter the market cautiously," he added.

The company signed an agreement with the park authority on Tuesday to take lease of 1.75 acres of land, according to a company disclosure on the Dhaka Stock Exchange website yesterday.

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## Biden pushes to triple tariffs on Chinese steel, aluminum

AFP, Washington

US President Joe Biden on Wednesday urged a tripling of tariffs on Chinese steel and aluminum, citing "unfair competition" as he seeks to win blue-collar votes in November's election.

Biden's call comes as the US Trade Representative (USTR) announced it is launching a probe into China's trade practices in the shipbuilding, maritime and logistics sectors in response to a recent petition by five US unions.

The president is preparing to address steelworkers in Pittsburgh on Wednesday, the second day of a three-day trip through the crucial swing state of Pennsylvania.

Both Biden and his election rival Donald Trump are competing for vital blue-collar voters, promising to revive American manufacturing.

"Chinese policies and subsidies for their domestic steel and aluminum industries mean high-quality US products are undercut by artificially low-priced Chinese alternatives produced with higher emissions," the White House said in a statement.

A senior US official told reporters that China accounts for about half of global steel production, while exporting the metal at a significantly lower cost than US steel prices.

As the USTR reviews tariffs imposed on China during Trump's administration, Biden urged it to triple an existing rate under Section 301 of the Trade Act.

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## Japan Inc makes a renewed US push as China fears mount

REUTERS, Tokyo

Japanese companies are increasingly hitching their growth plans to the United States, as concerns about Chinese demand and Beijing's influence over supply chains prompt a noticeable pivot toward the world's largest economy.

Robot maker Yaskawa Electric drinks company Asahi chipmaker Renesas Electronics and automaker Honda are just a few of the companies that in recent months have either expressed interest in expanding in the US or announced plans to do so.

While Japan remains tied to China through extensive trade and manufacturing operations, Tokyo has pledged with other members of the Group of Seven (G7) nations to "derisk" but not "decouple" from the world's second-largest economy.

That trend of limiting supply-chain exposure to China was highlighted by Prime Minister Fumio Kishida's trip last week to the United States. Kishida, who visited North Carolina to tour a Toyota Motor EV battery facility now under construction, also emphasised cooperation on supply chains.

After years of seeing China as a market of almost endless opportunities, Japanese companies are now taking a more

cautious view, executives and analysts say. Almost half of Japanese companies operating in China did not invest there last year or reduced investment, a survey showed in January.

Some of the caution is due to economic security risks - China last year detained

a senior Astellas Pharma executive on suspicion of spying - while many companies cite pessimism about Chinese demand and a weakening economy.

"The illusion about the Chinese economy, the Chinese market, is disappearing," said Kunihiko Miyake,



Workers assemble fourth generation Toyota Prius cars on the production line at the company's Tsutsumi assembly plant in Toyota City.

PHOTO: AFP/FILE

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