

star

BUSINESS

The IMED of the Ministry of Planning has found a project, for which the implementation cost was Tk 100 crore less than estimated.

Story on B4



Rancon rolls out high-end LG TVs made in Bangladesh

STAR BUSINESS REPORT

Local conglomerate Rancon Electronics has begun manufacturing and selling LG-branded high-end televisions, providing customers with products at cost-effective prices in the fast-expanding smart TV market in Bangladesh.

Rancon has already set up a manufacturing facility in partnership with South Korean multinational LG Electronics, one of the largest electronics manufacturers in the world known for innovation and quality.

For Bangladeshi consumers, the partnership means access to advanced, premium-quality yet affordable smart TVs, enhancing their viewing experience.

On the back of the collaboration, Rancon, which is diversifying its manufacturing prowess from home electronics to automotive, aims to strengthen its production capabilities and market footprint.

Rancon has already set up a manufacturing facility in partnership with South Korean multinational LG Electronics, one of the largest electronics manufacturers in the world known for innovation and quality.

“LG is a strong brand, and we want to elevate the LG brand in Bangladesh to new heights,” said Romo Rouf Chowdhury, group managing director of Rancon.

“We will also strive to make LG extremely affordable among Bangladeshi customers while providing the highest quality of products and services.”

He was speaking while inaugurating Rancon Electronics’ LG manufacturing facility at the Rancon Industrial Park in Gazipur’s Bhabanipur yesterday.

Jae Seung Kim, regional CEO of LG Electronics, Sung Hoo Chung, its managing director for Singapore, Yongil Ko, managing director for Bangladesh, and Farhana Karim, managing director of Rancon Holdings, were present.

“We, at Rancon, are excited. We are thrilled to announce the inauguration of LG TV manufacturing under the LG licence,” said Chowdhury.

“LG is a well-known international brand, and everyone is aware of LG’s brand and the quality of TVs they manufacture.”

The manufacturing under the licence from LG means that TVs produced in Bangladesh will maintain the same quality and standards as those made anywhere else in the world.

Chowdhury shared how LG TVs manufactured by Rancon will meet global standards.

“At Rancon, we have been manufacturing TVs for almost 10 years for other brands and our own brand. Since our official association with LG, we have established a new factory and a new production line, and put in place new standards that meet LG’s exceptionally high requirements.”

He added: “LG TVs are being manufactured here in a completely dust-free environment. To maintain such sophisticated processes, we have made significant investments in our facility. Therefore, there will be no difference between imported LG TVs and those manufactured in Bangladesh.”

For LG Electronics, a global market leader in OLED (Organic Light-Emitting Diode) TVs, the partnership expands its presence in the country. By leveraging Rancon’s local expertise, it will tap into the growing market.

“At LG Electronics, we are constantly looking for ways to expand our TV business, diversify our production, and increase our capacities,” said Jae Seung Kim.

“The new facility will allow us to pursue customers here,” he said, adding local manufacturing will facilitate technology transfer and create new jobs.

He said LG Electronics’ partnership with Rancon demonstrates the power of collaboration to drive innovation.

“We are extremely optimistic about our

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Romo Rouf Chowdhury, group managing director of Rancon Group, and Jae Seung Kim, regional CEO of LG Electronics, pose for photographs after the launch of Rancon Electronics’ LG manufacturing facility at the Rancon Industrial Park in Gazipur’s Bhabanipur yesterday. Sung Hoo Chung, managing director for Singapore at LG Electronics, Yongil Ko, managing director for Bangladesh, and Farhana Karim, managing director of Rancon Holdings, were also present.

PHOTO: RASHED SHUMON

Financial account turns positive as govt adjusts data as per IMF advice

MD MEHEDI HASAN

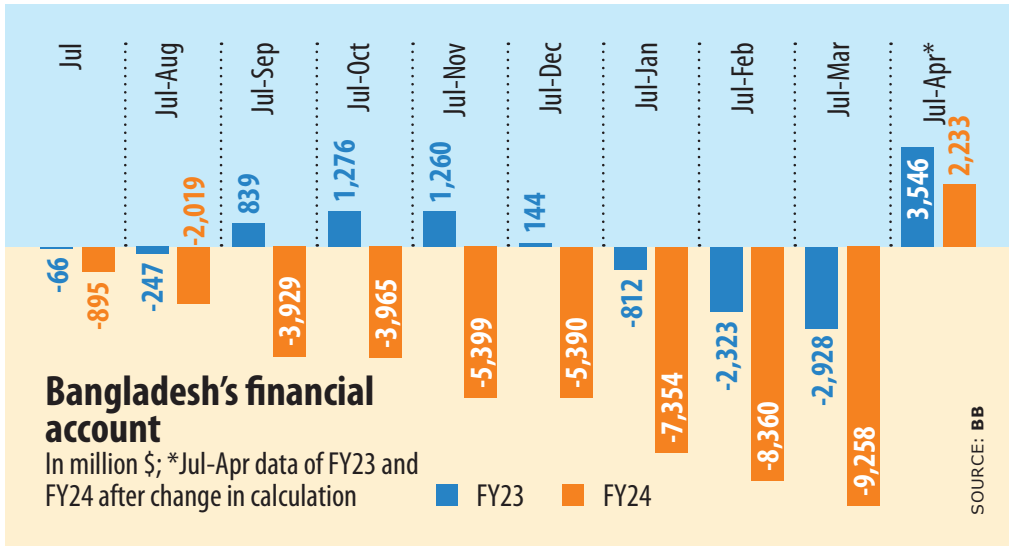
The financial account has turned positive after more than a year, yet it might not be good news for Bangladesh since it is the result of the revision of national data in line with IMF prescription and does not indicate improvement of the economy’s health.

During July to April of the just-concluded fiscal year, the financial account stood at \$2.23 billion, which was negative for more than a year, data from the Bangladesh Bank showed.

A key part of the balance of payments, the financial account covers claims or liabilities to non-residents concerning financial assets. Its components include foreign direct investment, medium and long-term loans, trade credit, net aid flows, portfolio investments, and reserve assets.

On the other hand, the balance of the current account, which records a nation’s transactions with the rest of the world, slipped to negative territory in the first 10 months of 2023-24. It stood at \$5.72 billion in negative, BB data showed.

A senior official of the central bank told



The Daily Star that the change in the BoP has occurred due to the change in accounting method.

He explained the gap between the figure

provided by the Export Promotion Bureau (EPB) and the BB has been adjusted. “That’s why, the current account balance turned

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Pension authority signs deal with seven banks on UPS

STAR BUSINESS REPORT

The National Pension Authority (NPA), which operates under the finance division of the finance ministry, signed contracts with seven banks yesterday to enhance the implementation of Universal Pension Scheme activities.

The seven banks are Bangladesh Krishi Bank, Janata Bank, Rajshahi Krishi Unnayan Bank, Prime Bank, Dutch-Bangla Bank, Eastern Bank and Mutual Trust Bank.

The signing ceremony was held at the finance ministry conference room in Dhaka, where Md Khairuzzaman Mozumder, secretary of the finance division, was present as chief guest, according to a press release.

Mozumder and managing directors and CEOs of the banks signed a memorandum of understanding (MoU), which will allow the banks to facilitate the registration process and accept subscriptions for the Universal Pension Scheme (UPS).

The branches will act as front offices for the NPA, simplifying the subscription process. Registrants can submit their subscriptions at any branch of the seven banks, where branch managers will assist with the registration process.

China yet to turn into big export destination

The country offers generous trade benefits for Bangladesh

BY THE NUMBERS

Bangladesh enjoys duty-free trade benefit for 98% of its products to China

Exports to China were \$677m in FY23

Imports from China were over \$23b in FY23

China imports garment worth \$10b from across the world in a year

KEY POINTS

Bangladesh’s export performance in China is still low

Exports to two other Asian nations -- India and Japan -- are better

Signing an FTA with China will be beneficial for Bangladesh, study says

Most of the goods from China imported through bonded warehouse

REFAYET ULLAH MIRDHA

China could not become a potential export destination for Bangladesh despite offering generous preferential trade benefits for the past decade or so.

On the other hand, two Asian countries, India and Japan, have proved to be very good export destinations for Bangladesh over the years.

Bangladesh’s exports to Japan reached \$1.69 billion in the July-May period of the immediate past fiscal year and stood at \$1.90 billion in fiscal year 2022-23, according to data from the Export Promotion Bureau (EPB).

The export of local merchandise to India reached \$1.67 billion in the July-May period of the immediate past fiscal year and \$2.12 billion in fiscal year 2022-23.

The shipment of goods from

Bangladesh to China reached \$761.02 million in the July-May period of the immediate past fiscal year and \$677.35 million in fiscal year 2022-23.

The exports to China did not grow that much in spite of the presence of a zero-duty benefit for 98 percent of Bangladesh products.

But China has eventually turned into the largest import destination for Bangladesh, with annual imports reaching over \$23 billion, according to data from the commerce ministry.

In 2015, China offered various least developed countries (LDCs) extensions on the trade benefits for up to 97 percent of their goods and later the percentage was elevated to up to 98 percent for Bangladesh.

The share of China in Bangladesh’s imports has risen from 10.3 percent in

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Celebrating

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Years of Excellence

CREDIT RATING

STABLE OUTLOOK

Ratings	Year	
	2023	2022
Long Term	AA+ (Higher Safety and High Credit Quality)	AA (Higher Safety and High Credit Quality)
Short Term	ST-1 (Highest Certainty of Timely Repayment)	ST-1 (Highest Certainty of Timely Repayment)
Outlook	Stable	Stable
Valid From	June 24, 2024	June 22, 2023
Valid Till	June 23, 2025	June 21, 2024
Rating Action	Surveillance	Surveillance
Rated by	Credit Rating Information and Services Ltd. (CRISL)	Credit Rating Information and Services Ltd. (CRISL)

AA+

A Bank rated ‘AA+’ in the long term is adjudged to be of high quality, offer higher safety & have high credit quality and rated ‘ST-1’ in the short term indicates highest certainty of timely payment, short term liquidity is very strong and safety is almost like risk free Government short – term obligations. Stable outlook indicates rating is likely to remain unchanged.

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