

star BUSINESS



From Tk 600 to Tk 36,000cr: The MGI story



Mostafa Kamal

AHSAN HABIB and SUKANTA HALDER

The Meghna Group of Industries (MGI), which markets products under the brand name "Fresh", attained a turnover of \$3 billion (over Tk 36,000cr) in 2024 after embarking on its journey around 50 years ago.

The entity had opened in 1976 with capital of around Tk 600 to Tk 650.

Around Tk 300 of this capital was availed as a loan on mortgaging some land, said Mostafa Kamal, chairman and managing director of the group, in a recent interview at his office in Gulshan, Dhaka.

He took to doing business at a young age with no big plans. He sought to fulfil his childhood dream of becoming a businessperson, and that inspiration came from seeing his uncle's weekly trade of betel nuts.

He availed a trade licence under the name "Kamal Trading Company" showing the address of his brother's roadside shop at Sher-e-Bangla Nagar.

From vehicle business to demand orders, buying and selling was his primary business. Some of the business was profitable and some was not, Kamal said.

In 1989, he established his first factory, Meghna Vegetable Oil, to refine edible oil. From his own profit, he started diversifying the business, and now the group has 54 factories with four more to open soon.

"I targeted to expand my business to my backward and forward linkages when I felt that sometimes it became difficult to get necessary raw materials for my products," he said.

Kamal once felt that he had to face a huge queue to get cartons, and it delayed his

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STOCKS	
DSEX ▼	CASPI ▼
0.66% 5,165.17	0.63% 14,460.20

COMMODITIES	
Gold ▼	Oil ▲
\$2,640.6 (per ounce)	\$74.08 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.90% 79,223.11	▼ 0.96% 39,894.54	▲ 0.03% 3,801.83	▼ 1.57% 3,211.43

AT A GLANCE

Inflation forcing consumers to change their spending habits

Some consumers lowered purchase of their favourite brands

Some consumers are opting for cheaper brands

Use of bottled shampoo is declining, use of sachet rising

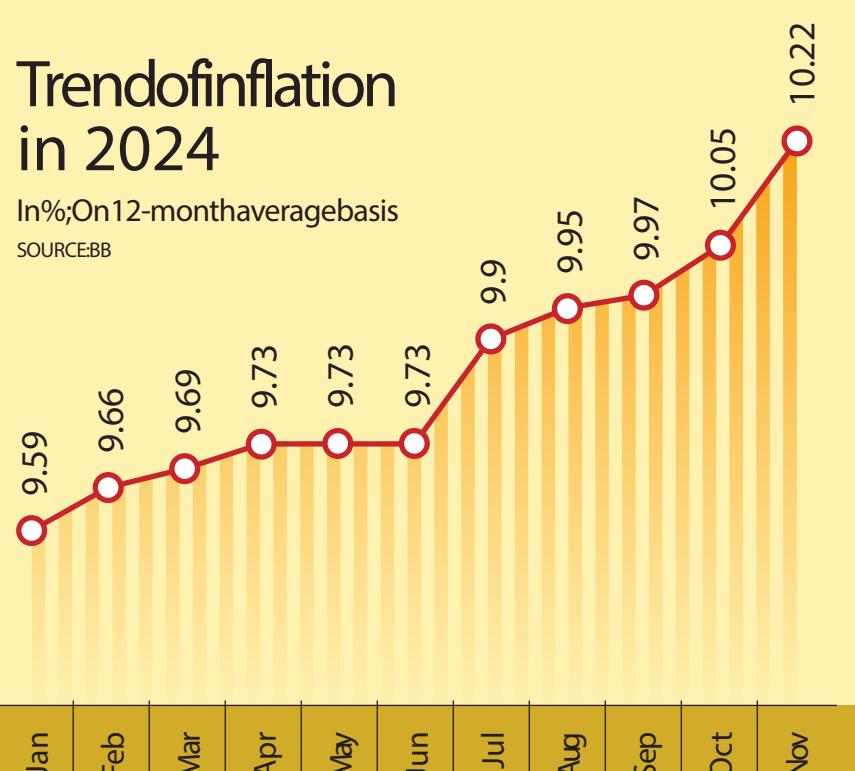
Retail sales decreased significantly in the last one year

Market size Annual FMCG market size is Tk 48,000cr



Trend of inflation in 2024

In %; On 12-month average basis
SOURCE: BBB



SUKANTA HALDER and LUTHIFA ARA TINA

People are switching to shampoo mini-packs from regular bottles, women are sacrificing their tiny luxuries of cosmetic puffs while households are embracing cheap but substandard detergents for laundry: this is exactly what happens when brutal price pressures push around 78 lakh people below the poverty line in just two years and stalk another 1 crore to do so.

This shift by consumers to smaller quantities of non-essential items began in 2022, continued throughout 2023, and intensified by the end of 2024, according to manufacturers.

But all available options -- smaller bottles, mini-packs and cheaper alternatives -- seem no longer effective against stubbornly high inflation.

Now with no respite from crushing price pressures in sight and the government rushing to raise value-added tax (VAT) on 43 items and services, including some branded products, middle-income consumers continue to dive deeper into junk and substandard products.

Since March 2023, the country has been facing stubbornly high inflation, with price pressures hovering above 9 percent. In November, inflation soared to 11.38 percent, according to the Bangladesh Bureau of Statistics.

A recent analysis by industrial

conglomerate Unilever Bangladesh Limited shows that inflation is prompting consumers to reconsider their spending habits, particularly on non-essential items such as conditioners, meal replacement shakes and face moisturisers.

Major fast-moving consumer goods (FMCG) companies said that their sales declined around 5 percent in the third quarter of 2024



compared to the same period last year.

Hossain Mohammad Saram, category head for fabric cleaning at Unilever Bangladesh, told The Daily Star that the increase in the cost of essentials and other goods for consumers has had a massive impact on their lifestyle, which has, in turn, hit the FMCG market.

"In this situation, customers will first meet

their essential requirements, then they will think about FMCG," he said.

"The buyer who is trying to stay with the higher quality brand and not shifting to the lower quality brand is buying a small pack," he added.

Due to high inflation, many people are switching from standard washing powder brands to cheaper brands. This is happening across all FMCG categories.

Saram said this trend began around 2022.

It continued in 2023 and intensified in 2024. "Those who cannot even afford the small pack have moved to the lower brand," he said.

"We expected people to switch from 500 gramme packs to 1 kg or 2 kg washing powder packs because it would save on cost. But the opposite is happening," he added.

He said they launched 150-gram toothpaste tubes as bachelor and travel packs. "Now we see that many families are using them."

SACHETS BECOMING MORE POPULAR

In 2022-23, 60 percent of daily shampoo sales were in sachets. But now, 75 percent of daily shampoo sales are in sachets, Saram said.

He said the amount of profit they made in 2023 decreased by 10 percent compared to the previous year. It also decreased slightly in 2024.

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aib Al-Arafah Islami Bank PLC.

Home textile exports bounce back

Taka devaluation, increased production capacity boost shipment

REFAYET ULLAH MIRDHA

The export of home textiles is on the path to recovery after nearly one year because of the devaluation of the local currency, increased production capacity and improvement in gas supplies to some extent.

Home textile exports grew by 7.85 percent year-on-year in the July-December period of the current fiscal year to \$410.81 million while it was in the negative even two to three months ago.

Apart from garment items, home textile is one of the three new sectors whose exports crossed \$1 billion recently. The two other sectors are jute and jute goods and leather and leather goods.

Home textile exports showcased strong growth of 20.47 percent year-on-year in December to reach \$83.98 million, according to data from state-run Export Promotion Bureau (EPB).

Home textile mainly refers to carpets, rugs, floor coverings, curtains, cushion covers, napkins, towels, bedspreads, furnishing fabric, table linen, bed linen, sheets and pillowcases, blankets, shower curtains, aprons, and wallpapers.

Its export fell sharply almost year-round in 2023 and 2024 as the local exporters did not book new work orders for an abnormal price hike of a gas.

The Bangladesh government suddenly hiked gas prices by 150.41 percent in February 2023, from Tk

Keypoints

Home textile export started rebounding

Gas supply improved to some extent in industrial units

Normalcy is returning in industrial hubs

Exports

Fetched \$851.01m in FY24

Grew 7.85% to \$410.81m in Jul-Dec

Taka devaluation helped improve export competitiveness

Abnormal gas price hike affected export

Millers are increasing capacity



Rose 20.47% to \$83.98m in Dec

Shahidullah Chowdhury, executive director of Noman Group, which accounts for more than 70 percent of Bangladesh's home textile exports.

"We also increased our capacity to an extent with the improvement of gas supply, and exports from the company are growing now," Chowdhury said.

Last month, total home textile exports from his group reached nearly \$72 million while it was worth \$22 million in the previous month.

He also said the gradual restoration of normalcy in Bangladesh and political unrest in Pakistan also played a role in the restoration of home textile exports.

The country's home textile exports had crossed \$1 billion in FY21, registering a whopping 49.17 percent year-on-year growth.

That momentum continued the following year, with exports rising by another 40-odd percent to \$1.62 billion.

However, the gas crisis upended that trend the following year, with home textiles fetching \$1.09 billion, down by almost a third.

Bangladesh was struggling to recover lost work orders in the home textile segment, a significant volume of which was shifted to Pakistan nearly two years ago.

This shift occurred mainly due to the sudden doubling of gas prices in Bangladesh and significant devaluation of the Pakistani rupee against the US dollar.

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"Along with the VAT, various steps are being taken to increase the tax base in the case of income tax," NBR said in a statement

"Additional measures are currently underway," it added.

On top of that, the tax administration is now reviewing plans to phase out existing exemptions for poultry farming, hatcheries and processors, including breeders, and feed millers.

Currently, the first Tk 10 lakh of income is tax-free, while a 5 percent tax applies to the next Tk 10 lakh. Incomes exceeding Tk 20 lakh but up to Tk 30 lakh are subject to a 10 percent tax rate.

Finally, a 15 percent tax rate is applied to incomes above Tk 30 lakh.

"We are yet to take any final decision. We are reviewing the issue," said an official of the NBR.

"If we want to raise the tax to GDP ratio, we have ultimately no option but

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BRAC Bank signs deal with Sena Ins for cash management solution

STAR BUSINESS DESK

BRAC Bank recently signed a partnership agreement with Sena Insurance PLC, a subsidiary of Sena Kalyan Sangstha, to deliver a comprehensive set of advanced cash management solutions aimed at optimising financial operations of the insurer.

Brig Gen (retd) Md Shafique Shamim, managing director and CEO of the insurer, and Tareq Refat Ullah Khan, acting managing director and CEO of the bank, penned the deal at the latter's head office in the capital's Gulshan, said a press release.

Through this agreement, Sena Insurance will leverage BRAC Bank's CORPnet platform, an integrated digital cash management solution that streamlines payments, collections and reconciliation processes within a centralised system.

CORPnet enables straight-through transaction processing, real-time reporting and invoicing while its direct debit functionality ensures seamless deposit tracking and advanced reconciliation capabilities.

Moreover, Sena Insurance will gain access to real-time statement data, facilitating the automated delivery of transactional information from over the counter and direct debit instructions.



Brig Gen (retd) Md Shafique Shamim, managing director and CEO of Sena Insurance, and Tareq Refat Ullah Khan, acting managing director and CEO of BRAC Bank, pose for photographs after signing agreements at the latter's head office in the capital's Gulshan recently.

PHOTO: BRAC BANK

This feature enhances data accuracy and validation for insurance premium collections.

The bank also signed a memorandum of understanding with Sena Insurance regarding Bancassurance business, marking the latter as a potential partner

in the bancassurance business.

The collaboration will further strengthen the partnership between the insurer and the bank, bringing more depth into this relationship, it added.

Among others, AKM Faisal Halim,

head of transaction banking of the bank, AKM Tareq, senior zonal head for North zone distribution network, Mahabubur Rahman, head of SME liability and chief bancassurance officer, and SM Alomgir Hossain, head of small business (central) of SME banking, were also present.

NCC Bank wins remittance award



Md Mahbub Alam, deputy managing director of NCC Bank, receives a remittance award on the bank's behalf from Asif Nazrul, adviser to the Ministry of Expatriates' Welfare and Overseas Employment, at a function at the Osmani Memorial Auditorium in Dhaka recently. Asif Mahmud Shojib Bhuyain, another adviser to the interim government, was present.

PHOTO: NCC BANK

STAR BUSINESS DESK

NCC Bank PLC has been awarded the "Top 10 Remittance Award" by the Ministry of Expatriates' Welfare and Overseas Employment in recognition of their exceptional performance in facilitating remittance collection for fiscal year 2023-2024.

Asif Nazrul, adviser to the Ministry of Law, Justice and Parliamentary Affairs and the Ministry of Expatriates' Welfare and Overseas Employment, handed over the award to Md Mahbub Alam, deputy managing director of the bank, at a function at the Osmani Memorial Auditorium in Dhaka recently, said a press release.

Alam said this accolade highlights the significant roles of NCC Bank in strengthening the national economy by streamlining remittance services and supporting expatriates worldwide.

Asif Mahmud Shojib Bhuyain, adviser to the Ministry of Youth and Sports and the Ministry of Local Government, Rural Development and Co-operatives, attended the programme.

The Ministry of Expatriates' Welfare and Overseas Employment organised the award ceremony on the occasion of International Migrants Day and National Expatriates Day.

Among others, Md Zahurul Karim Chowdhury, senior vice president and head of treasury front office of the bank, and Md Foruduzzaman, senior assistant vice president and head of remittance and NRB services department, were also present.

China vows 'moderately loose' monetary policy

AFP, Beijing

China's central bank has outlined a "moderately loose" monetary plan aimed at boosting domestic demand to spur growth, days after President Xi Jinping called for more proactive macroeconomic policies.

Beijing last year struggled to lift the economy out of a slump fuelled by a property market crisis, weak consumption and soaring government debt.

Officials have unveiled measures aimed at bolstering growth, including cutting interest rates and easing homebuying restrictions, but economists have warned more direct stimulus may still be needed.

The People's Bank of China (PBoC) said in a statement it will "implement a moderately loose monetary policy... to create a good monetary and financial environment for promoting sustained economic recovery".

The statement released Saturday reiterated plans to cut interest rates and the reserve requirement ratio which dictates how much banks must hold in their coffers, rather than lending or investing. It said the changes would be made "at an appropriate time" depending on conditions at home and abroad.

The PBoC emphasised the need to weed out corruption - signalling the continuation of a long-running crackdown in China's finance industry. It also said it would continue to help local governments resolve debt burdens with "financial support".

The measures are to "prevent and resolve financial risks in key areas, further deepen financial reform and high-level opening up, focus on expanding domestic demand, stabilising expectations, and stimulating vitality," the statement said.

The bank's announcement came after officials convened for a two-day conference in the capital.

Beijing was aiming for growth of around five percent in 2024, a goal Xi has expressed confidence in achieving but which many economists believe will be narrowly missed.

The International Monetary Fund expects China's economy to have grown by 4.8 percent in 2024 and to grow 4.5 percent in 2025.

PRICES OF KEY ESSENTIALS IN DHAKA CITY		
	PRICE (JAN 5, 2024)	% CHANGES FROM A MONTH AGO
	PRICE (JAN 5, 2024)	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 75-Tk 84	7.43 ↑
Coarse rice (kg)	Tk 50-Tk 55	0
Loose flour (kg)	Tk 40-Tk 45	-10.53 ↓
Lentil (kg)	Tk 105-Tk 110	0
Soybean (litre)	Tk 163-Tk 166	-1.20 ↓
Potato (kg)	Tk 45-Tk 50	-38.71 ↓
Onion (kg)	Tk 50-Tk 85	-44.90 ↓
Egg (4 pcs)	Tk 48-Tk 50	12.64 ↑

SOURCE: TCB

Social Islami Bank disburses agricultural finance in Subarnachar

STAR BUSINESS DESK

Social Islami Bank PLC distributed agricultural finance at a 4 percent profit rate among 400 soybean and chili cultivators of Subarnachar in Noakhali on Saturday.

Maksuda Begum, vice-chairman of the bank, attended the programme as the chief guest, the bank said in a press release.

Mohammad Forkanullah, acting managing director of the bank, presided over the programme, where Morshed Alam Khondoker, independent director of the bank, was present as the special guest.

Md Nazmus Saadat, deputy managing director of the bank, Suraiya Akter Lucky, upazila nirbahi officer and executive magistrate of Subarnachar, Shyam Sundar Roy, senior vice-president and head of SME and AFD, and Mohammad Nur Un Nabi Patwary, manager of Maijdee branch of the bank, among others, were also present.



Maksuda Begum, vice-chairman of Social Islami Bank, attends the bank's agri-finance distribution programme for soybean and chili cultivators of Subarnachar in Noakhali on Saturday.

PHOTO: SOCIAL ISLAMI BANK

Government of the People's Republic of Bangladesh
Department of Public Health Engineering
Office of the Superintending Engineer
Sylhet Circle, Topkhana, Sylhet.

Invitation for Enlistment & Renewal of Enlistment 2024-2025 (2nd Phase)

Memo no: 46.03.9100.013.07.41.15-151

Date: 02/01/2025

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH		
1. Ministry/Division	Ministry of Local Govt, Rural Development & Co-operatives, Local Govt. Division	
2. Agency	Department of Public Health Engineering (DPHE)	
3. Procuring Entity Name	Superintending Engineer, Sylhet Circle.	
4. Procuring Entity District	Sylhet	
5. Invitation for	Enlistment & Renewal of Enlistment	
6. Invitation Ref No	CE, DPHE Office memo no. 46.03.2600.001.07.000.23-3212	
7. Date	22/12/2024	
8. Procurement Method	Limited Tendering Method	
PARTICULAR INFORMATION		
9. Application Closing Date and Time	16/03/2025	5:00 pm
10. Name & Address of the Office(s)		
- Application Form Availability	Office of the Executive Engineers, DPHE, Sylhet, Sunamganj, Habiganj and Moulvibazar.	
- Receiving Application Form	Office of the Superintending Engineer, DPHE, Sylhet Circle, Topkhana, Sylhet.	
INFORMATION FOR APPLICANT		
11. Eligibility of Applicant	a. Must have valid Trade License b. Must have TIN, Must have Vat Registration Certificate. c. Must have Bank Solvency Certificate. d. Others document as Mentioned in Application Form.	
12. Price of Application Form (Tk)	500.00 (Non-refundable)	
13. Enlistment / Renewal Fee (Tk)	New Enlistment Fee 5000.00+15% VAT and Renewal Fee 2000.00+15% VAT. Must be submitted in the form of Pay Order/ Demand Draft in favour of Executive Engineer, DPHE, Sylhet Division. Two separate POs/DDs to be submitted—one for Enlistment/Renewal Fee and another for 15% VAT of Tk. 750.00/300.00 respectively. If application is not accepted, the PO/DD will be refunded.	
PROCURING ENTITY DETAILS		
14. Name of Official Inviting Application	M. Shaikh Sadi Rahmatullah	
15. Designation of Official Inviting Application	Superintending Engineer, DPHE, Sylhet Circle, Sylhet	
16. Address of Official Inviting Application	DPHE, Topkhana, Sylhet	
17. Contact details of Official Inviting Application	02996635443 se.sylhet@dphe.gov.bd	
18. The Procuring Entity reserves the right to reject all Applications		

(Signature)
(M. Shaikh Sadi Rahmatullah)
SE, DPHE, Sylhet Circle

BDBL officers' assoc hosts event for new leaders

STAR BUSINESS DESK

The Bangladesh Development Bank Officers Association recently organised a programme for its newly elected leaders at the bank's head office in Dhaka.

Ahmed Ismet, chairman of Bangladesh Development Bank PLC, attended the programme as the chief guest, the bank said in a press release.

Md Jashim Uddin, managing director and CEO of the bank, was present as the special guest.

Sachindra Nath Samaddar, deputy managing director of the bank, Md Iqbal Hossain, president of the association, and Md Rafiqul Islam Rakib, general secretary, along with all general managers and officers of the bank were also present.



Ahmed Ismet, chairman of Bangladesh Development Bank PLC, attends a programme organised by Bangladesh Development Bank Officers Association for its newly-elected leaders at the bank's head office in Dhaka recently.

PHOTO: BANGLADESH DEVELOPMENT BANK

GD- 48

Tesla reports lower auto deliveries in 2024

AFP, New York

Tesla reported a dip in full-year auto sales Thursday, missing a company forecast in a sign of rising electric vehicle competition in China and other markets.

Elon Musk's EV company reported 495,570 fourth-quarter deliveries. While that represented a quarterly record, it lagged Wall Street estimates and resulted in full-year sales of just under 1.8 million vehicles.

This was around one percent less than the 2023 sales, even as Tesla said in October that it expected a "slight growth" in vehicle deliveries for the year.

Besides rising competition from producers like China's BYD and legacy auto companies, analysts pointed to a sluggish ramp-up of production of the futuristic Cybertruck.

Shares of Tesla fell sharply following the release, cutting into the company's massive gains since the November 5 US presidential election.

The sales figure caps a mixed 2024 for Tesla, a year in which Musk dove full-on into US electoral politics.

He helped to deliver the presidency to Republican Donald Trump through massive contributions and the amplification of anti-immigrant and other Trump rhetoric on Musk's X platform, the former Twitter.

But Tesla's profits through the first three quarters of 2024 fell 31 percent from the equivalent period of 2023, a reflection of moves to slash prices in the wake of slowing demand.

Tesla has called the current period of moderating sales reflective of its position "between two major growth waves," with the next period of volume increases due to advances in autonomy and the introduction of new vehicle products.

DSE suffers tech glitch, index falls for second day

STAR BUSINESS REPORT

A technical glitch delayed the start of trading by 1.5 hours at the Dhaka Stock Exchange (DSE) yesterday, when the premier bourse experienced a fall for the second consecutive day.

In the morning, the Dhaka bourse through a notice on its website said due to a technical glitch, it could not start trading at its regular scheduled time of 10:00am.

Later in a separate notice, the stock exchange informed the investors that the day's trading would begin at 11:30 am and continue until 2:50pm, with a 10-minute post closing adjustment ending at 3:00 pm.

Normally, trading at the Dhaka and Chattogram bourses continues from 10:00am to 2:30 pm, including a 10-minute post closing adjustment.

Earlier, the DSE website on March 10 last year faced a technical glitch at the beginning of the day's trading.

Yesterday, the DSEX, the benchmark index of the premier bourse of Bangladesh, slumped by 0.66 percent, or 34.45 points, from the previous day before closing at 5,165 points.

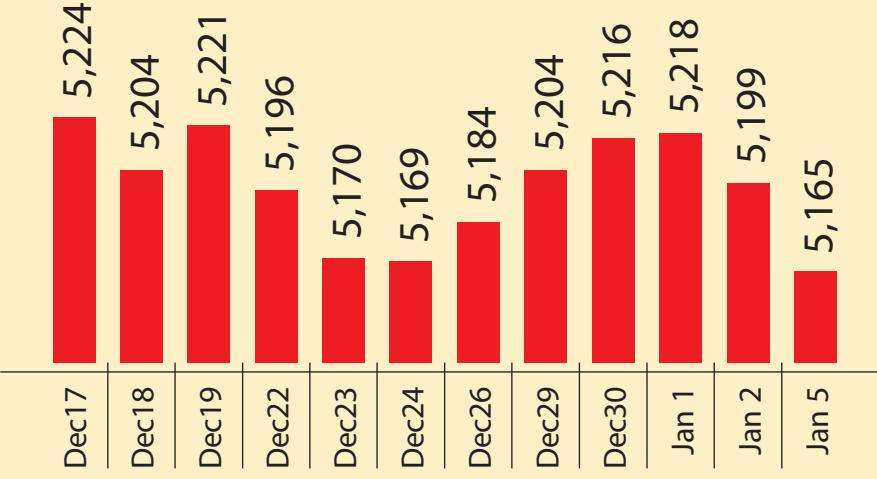
The other two indexes of the DSE witnessed a similar trend, with the DSES index for Shariah-based stocks edging down by 6.98 points, or 0.60 percent, to 1,148 points.

Similarly, the DS30 index for blue-chip shares slipped down by 11.35 points, or 0.59 percent, to 1,919 points.

Of the issues traded at the DSE yesterday, 73 saw price hikes, 270 closed lower and the remaining 54 did not see

Movement of key DSE index

In points; SOURCE: DSE



any price movement.

Daily turnover, which indicates the collective value of shares traded, decreased by 0.63 percent to Tk 312 crore compared to the previous trading session.

The food and allied sector dominated market activities, accounting for 22.03 percent of the total turnover.

Fine Foods Limited emerged as the most-traded stock, with shares worth Tk 24.8 crore changing hands.

Travel, leisure and miscellaneous became the two sectors that closed on a positive note while jute, services,

real estate and non-bank financial institutions (NBFI) were the top three sectors that closed in negative territory, according to the daily market update by UCB Stock Brokerage.

In its daily market update, BRAC EPL Stock Brokerage said all large cap sectors posted negative performances yesterday.

The NBFI sector experienced the highest loss of 1.89 percent followed by pharmaceuticals with 0.68 percent, engineering 0.65 percent, food and allied 0.61 percent, fuel and power 0.52 percent, bank 0.22 percent and telecommunication 0.04 percent.

Squeezed by inflation

FROM PAGE B1

Meanwhile, due to price hikes, 15 percent to 16 percent of their customers are switching to other brands, he said.

Jesmin Zaman, head of marketing at Square Toiletries Limited, echoed similar sales concerns.

She said that due to high inflation, many buyers have been forced to move towards smaller packs, while many have changed brands and gone to lower quality ones.

Eleash Mridha, managing director of PRAN Group, told The Daily Star that due to high inflation in FMCG products, people are now opting for smaller sizes instead of larger ones.

"They were forced to make this decision against their will. It has increased further in recent months," he said.

"They now must balance when it comes to issues of non-essential products for the sake of their lifestyle, so they are leaning towards smaller packs," he said.

"Now people's budgets are limited, and their actual income hasn't increased in recent years. That's why they are trying to keep their expenses within that budget. This situation has arisen," Mridha added.

He also said that prices of their FMCG items have not increased, but consumption has declined remarkably.

RETAIL SALES TAKE A HIT

Zakir Hossain Arif, a retailer in Dhaka's Mirpur, said that due to rising prices, customers who earlier would buy a 400-gramme bottle of Sunsilk shampoo are now opting for the 200-gramme bottle.

Similarly, those who used to buy a 400-gram container of Nivea cream are now purchasing the 200-gram size.

"There were fewer such small buyers even a year ago. But their numbers are increasing daily," he said.

EVEN CHEAPER ALTERNATIVES LOSING THE GAME

SM Najar Hossain, vice-president of the Consumers Association of Bangladesh (CAB), said high inflation has increased the cost of living, leaving people with limited choices.

"The government's recent move to raise VAT on 43 products and services will make the situation more difficult for them," he added, saying this might compel people to opt for diving further into cheap and substandard alternatives.

Mohammad Abdur Razzaque, chairman of Research and Policy Integration for Development, said people engage in searching for cheap alternatives when inflation continues for a long period.

GOODBYE LITTLE LUXURIES

Sahana Parvin, a housewife who lives in the Dhanmondi area of Dhaka, said the rising prices of branded cosmetics make it difficult to always go for well-known names, so she opts for more affordable alternatives nowadays.

"The options are few as prices of branded cosmetics

NBR plans From Tk 600 to Tk 36,000cr

FROM PAGE B1

to phase out the existing exemption. So, we are moving very carefully," he added.

In the current fiscal year, the NBR has estimated that tax exemptions would be worth Tk 163,000 crore, all aimed at easing the pressure on individuals and facilitating higher economic growth.

The estimated tax expenditure for FY25 is 11 percent higher from the roughly Tk 147,000 crore spent in fiscal year 2023/24, which accounted for 2.91 percent of the country's gross domestic product (GDP).

Last month, NBR Chairman Md Abdur Rahman Khan also said they already started to phase out the exemption, including removing power plants from the list.

For instance, the NBR has cancelled tax exemption facility for a power company owned by S Alam Group and also for foreign ocean-going ships in December.

Recently, the advisory council of the interim government has decided to raise VAT on 43 goods and services along with raising

READ FULL STORY ONLINE

the payment from income generated afterwards.

After that, he never defaulted on bank loans,

said Kamal, adding that he sometimes faced problems due to local and global crises such as the Covid-19.

"When we realised that we need drums, cartons, and shipping for importing and exporting our products, we expanded our business towards all of these from our basic business of edible oil," he added.

Regarding monitoring, Kamal said he still monitors his company's purchases and other operations with his own eyes, even though this is a big task.

"I do it so that I can give good advice and add value from my long experience, and I believe savings in purchases are earnings."

On whether the group defaulted on bank loans, Kamal said he once defaulted in 1983 when he imported palm oil.

On incurring a huge loss in this transaction, he failed to repay bank loans on time and had to make

China is 'determined' to open up to world in 2025

AFP, Beijing

China is "determined" to continue opening up its economy to the world in 2025, a top economic planning official said Friday, as Beijing steels itself for potential trade turmoil when US President-elect Donald Trump takes office.

The world's second-largest economy has struggled to revive growth following the Covid-19 pandemic and remains beset by a debt crisis in the crucial housing sector, chronically low consumption and high youth unemployment.

Prospects may darken further after Trump's inauguration on January 20 - the mercurial US leader hiked tariffs on Chinese imports during a wide-ranging trade war in his first term in office, and has promised more of the same.

But on Friday officials from China's top planning

China has struggled to revive growth following the Covid-19 pandemic and remains beset by a debt crisis in housing sector

body, the National Development and Reform Commission (NDRC), said that "no matter how the external environment changes, full of uncertainty, China's determination and actions to open up to the outside world will remain unchanged".

"In the new year we will certainly take many new measures... to steadily expand systemic openness and further build a business environment that is marketised, under rule of law, and internationalised," NDRC deputy director Zhao Chenxin said at a press conference on Friday.

He said China plans to encourage greater foreign investment in "advanced manufacturing, modern services, high-tech, energy saving and environmental protection".

Authorities have been clear they want to reorientate the economy around such areas of high-tech innovation, for example in the green energy sector -- leaving behind the double digit "growth at all costs" of the past.

The country's installed capacity of wind and solar power reached a combined 1.31 billion kilowatts, accounting for 40.5 percent of total power generation capacity last year -- up from 36 percent in 2023, Zhao said Friday.



Established in the 1980s on the banks of Baral river, Baghabari river port currently offers a draft of only 7-8 feet during the dry season, which allows vessels with roughly 300 tonnes of cargo.

PHOTO: AHMED HUMAYUN KABIR TOPU

Baghabari port fading from inland water map as river silts up

AHMED HUMAYUN KABIR TOPU

Once a key supply hub for agricultural inputs and fuel to the greater northern region, Baghabari river port in Shahzadpur upazila of Sirajganj is now seeing more and more cargo vessels avoiding it due to years of neglect in navigability management and inadequate port facilities.

Fertiliser-laden vessels arriving from Chattogram now offload their consignments at Nawapara port in the southwestern district Jashore, from where the agricultural inputs are then transported to northern districts.

"I travelled to Baghabari port around one and a half years ago carrying imported fertiliser, but I was unable to reach the port directly due to navigability problems," said Md Eusuf Mollah, master of an inland water vessel.

"Now we use Nawapara port regularly instead of Baghabari to unload fertiliser," Mollah added.

He said that Nawapara port can accommodate vessels carrying 1,000-1,200 tonnes of cargo, a capacity that Baghabari cannot match.

Established in the 1980s on the banks of Baral river, Baghabari currently offers a draft of only 7-8 feet during the dry season, which allows vessels with roughly 300 tonnes of cargo.

Although minor dredging of



the nearby Jamuna channel was carried out in recent years, there has been no visible improvement in navigability in the Baral as water levels have been declining rapidly.

"Fertiliser vessels usually have a draft of 10-12 feet, but the current water level in the river is only 9 to 9.5 feet. Therefore, only ships with a draft of 7-8 feet can navigate this channel in winter," Md Asaduzzaman, in-charge of Baghabari port, told The Daily Star.

He said that during the monsoon, heavier vessels with drafts more than 10-12 feet can easily access the port.

Asaduzzaman said that over the years, both the size and the load capacity of inland vessels have increased, but the port's

facilities have failed to keep pace. These decades-old port facilities are inadequate for handling larger vessels, leaving the port yard largely empty during the dry season.

Port officials said some small cargo vessels carrying cement still arrive at the port, but fertiliser and coal-laden ships are less regular.

For hundreds of port workers, this decline in activity has put pressure on them to find alternative livelihoods.

"Around 400-500 workers had sufficient income at the port even a few years ago, now even 100-150 workers struggle to make their ends meet with the income here," said Md Jahangir Sardar, a local labour leader.

Many port workers have left the port in search of new jobs, Jahangir added.

The empty port yards have also impacted the buffer fertiliser warehouse at the port area, leaving it with insufficient stocks.

"We have a demand for 10,281 tonnes of fertiliser for Sirajganj district in January, but we currently have a reserve of 7,734 tonnes," said Md Abdullah Al Ansari, in-charge of the warehouse at the port.

Run under the Bangladesh Chemical Industries Corporation (BCIC), Ansari said the warehouse is receiving truckloads from Nawapara, but they do not arrive on time.

Fuel-laden vessels can load a minimum of 10 to 12 lakh litres, but now each fuel-laden vessel carries a maximum of 8 to 9 lakh litres of fuel to reach the port," said Md Abdul Fazal, in-charge of the Jamuna oil depot at Baghabari.

Baghabari fuel depot is one of the largest fuel depots in the northern districts, with a fuel reserve capacity of more than 7.5 crore litres.

"We have the capacity to unload three fuel ships daily at the three fuel jetties in the port, but they all arrive with reduced loads," he said, adding that if the Baral river channel is improved, fully loaded ships could be accommodated without any issue.

RMG accessories expo to begin in Dhaka from Jan 8

STAR BUSINESS REPORT

The 14th edition of the International Garment Accessories and Packaging Expo (GAPEXPO) 2025 will be held in Dhaka from January 8 to 11.

The four-day exhibition will showcase garment accessories such as buttons, packaging products, hangers, zippers, machinery, yarn and fabrics at the International Convention City Bashundhara (ICCB) in Dhaka.

Commerce Adviser to the interim government Md Bashir Uddin is scheduled to inaugurate the event.

Around 250 exhibitors from 18 countries will present their products, machinery and technologies at the event, said Md Shahriar, president of the Bangladesh Garments Accessories and Packaging Manufacturers and Exporters Association (BGAPMEA), during a press conference at the La Vinci Hotel in Dhaka yesterday.

In addition to participants from Bangladesh, exhibitors from countries, including India, Japan, Vietnam, China, South Korea, and Germany, will join the expo, he added.

At present, over 2,200 companies are operating in Bangladesh's garment accessories sector, with a total investment of Tk 40,000 crore and employment of more than 7 lakh workers, Shahriar said.

The amount of deemed exports from the sector is \$8 billion and the direct export is \$1.5 billion to more than 21 countries, and the local manufacturers make 60 kinds of garment accessories.

With a strong footing in the sector, the local manufacturers can now meet nearly the entire demand for the export-oriented garment sector, reflecting a shift from the dependence of imports from mainly China, Hong Kong and other countries.

A few seminars on the garment accessories sector and sustainable fashion will also be held on the sidelines of the exhibition, Shahriar added.

Dollar on track for best week in a month

REUTERS, New York

The dollar dipped on Friday but was on track for its strongest weekly performance in a month on expectations that the US economy will continue to outperform its peers globally this year and that US interest rates will stay relatively higher.

A still solid labor market and stubbornly high inflation have lifted Treasury yields in recent weeks and boosted demand for the US currency.

New policies under the incoming Donald Trump administration, including business deregulation, tax cuts, curbs on illegal immigration and tariffs, are also expected to boost growth and add to price pressures.

The dollar index was last down 0.28 percent on the day at 108.91, after hitting a two-year high of 109.54 on Thursday. It is on track for a weekly gain of 0.85 percent.

Despite recent dollar gains there remains considerable uncertainty over when policies will be introduced by the new US government, and what their ultimate impact will be. That could pause the dollar rally in the near-term.

"We're likely to see a bit of a dollar pullback as the administration comes in because all these proposed tariffs - they're going to take some time to implement and we don't actually know if all of these proposals are going to be implemented or not," said Helen Given, FX trader at Monex USA in Washington.

"As we move through the second half of this calendar year I think we're going to see some more dollar strength," Given said.

EV sales hit record in UK

AFP, London

The UK car industry sold a record number of all-electric vehicles in 2024 but still fell short of the government's mandated targets, an industry trade body said Saturday.

Battery electric vehicles made up 19.6 percent of new cars sold last year, said the Society of Motor Manufacturers and Traders, which was below the government's 22 percent target for carmakers.

The SMMT reported a "record annual volume" of 382,000 battery electric vehicles sold in the UK last year.

The automobile trade body had already warned in October that carmakers were at risk of missing government targets, with manufacturers facing government penalties of £15,000 (\$18,625) per polluting vehicle sold above the limits.

However, the government has since assured that it expects all manufacturers to avoid the penalties in 2024 by taking advantage of flexibility mechanisms that will take into account, among other things, emissions reductions across the whole fleet.

The group's chief executive, Mike Hawes, said that while the market share of electric vehicles grew, this came at a "huge cost" to the industry.

He referred to the "billions invested in new models" supplemented by "unsustainable" incentives provided by the industry.

Hawes urged the government to review the mandate and to do more to stimulate private demand, including improving charging infrastructure.

Helped by hybrids, US new car sales rose to 5-year high in 2024

REUTERS, Detroit

US new car sales in 2024 continued to rise from their pandemic lows, bolstered by replenished inventories, higher incentives and surging demand for hybrid vehicles, automakers reported on Friday.

Sales of new vehicles finished at 15.9 million last year, according to Wards Intelligence, up 2.2 percent from the prior year, and the highest since 2019. Automakers are projecting strong sales will continue into 2025, although President-elect Donald Trump's proposed automotive policies, such as removing tax credits for EVs, present a wild card.

"We're carrying significant momentum into 2025," Rory Harvey, GM's head of global markets, said in a release. The Detroit automaker defended its 2023 crown as the biggest US carmaker by sales, selling 2.7 million vehicles last year, the company said on Friday, up 4.3 percent from 2023.

Most automakers recorded solid

sales results last year, as they adjusted to slowing demand for EVs and relied on their core business of gasoline-powered trucks and SUVs, while some capitalized

on soaring consumer interest in hybrid vehicles.

Sales of traditional hybrids increased 36.7 percent in 2024 compared with the



People visit a pavilion of Ford Motor at the New York International Auto Show in New York City. US automakers are projecting that strong sales will continue into 2025.

previous year, Wards reported.

Toyota notched a 3.7 percent sales gain year-over-year in the US, boosted by steady increases of reliable smaller vehicles such as the Camry and RAV4 SUV, as well as significant gains for hybrid vehicles. Reuters reported last year that the automaker is potentially converting all of its lineup into hybrid-only models.

"For hybrids, we're sold out - customers want them, we can't get enough of them," said David Christ, head of sales and marketing for Toyota in North America. "Battery electric vehicles, even with the huge incentives we're spending and the federal government's incentives, are just not as in demand."

Ford Motor also benefited from an increase in hybrid sales, which helped the automaker's total vehicle sales rise 4.2 percent in 2024. The Dearborn, Michigan, company sold roughly double the number of hybrids compared with its EVs, with 187,426 hybrids sold and 97,865 EVs.