

Small businesses suffer as China virus shuts communities

AFP, Beijing

Wang Li's guesthouse sits a stone's throw from the Great Wall, an idyllic setting for a weekend getaway. But in these uncertain times of the new coronavirus, Wang and her family are the only occupants.

The 35-year-old woman now spends her days disinfecting Yingfangyuan Farmhouse and its empty restaurant near Beijing, as millions of people across the country stay home, either under government orders or out of caution.

As the virus claims more lives and infects thousands of people every day, it is also taking a toll on the country's small businesses that rely on spending from China's growing middle-class.

"We used to be able to have up to 10 tables of guests a day during this period," she told AFP. "There is no one now." While she usually earns around 10,000 yuan (\$1,400) during the Lunar New Year holiday, her business was closed this year.

"We rely on this for our livelihood. We can only wait for the epidemic to pass," she said, noting that she will face problems if the situation persists for more than two months.

"I don't have other (backup) plans." Across Beijing's rural outskirts, guesthouses, restaurants



A woman wearing a facemask as a preventive measure, looks at empty supermarket shelves, which were used to stack paper towels, in Hong Kong on February 5.

and tourist attractions have been deserted for almost two weeks.

The Great Wall and Ming dynasty tombs remain closed and people are urged to stay home -- with many working remotely even after the Spring Festival break ended.

Many bus and train services have been suspended across the country, and central Hubei province, the epicentre of the outbreak, has effectively been locked down.

Supermarkets are struggling to sell their food as families have enough after stocking up for holiday

gatherings that have not been held -- in line with officials' advice. At the Shijihualian Supermarket in Heishanzhai village, boxes of Lunar New Year goods, including food items such as persimmons, remain stacked and unsold.

"They are bought as gifts, but people have not been visiting their relatives this year," said its shopkeeper surnamed Yang.

"With no relatives to host this year, it will take time for them to deplete their supplies." With analysts warning that the virus

could cut into the country's already slowing economy, China's central bank has urged financial institutions to continue stepping up support for small and micro enterprises.

But this has not stopped business owners from fretting over an uncertain future.

Adding to the isolation of rural communities, villages have closed themselves off from "outsiders" in a bid to ensure the new coronavirus, which has claimed more than 900 lives, stays out.

Bright red banners proclaiming the importance of epidemic prevention drape across the entrances of villages, and masked volunteers stand guard at each entry point.

Residents who would have typically returned to work in cities after the Spring Festival break are still in their hometowns as well.

In the Heishanzhai village north of Beijing, there are blockades on roads leading into its residential areas. "We stopped allowing people in from the second day of the Lunar New Year," said Zhang Xinao, a 25-year-old volunteer manning one of the entrances.

"We also disinfect the entire village every day in the mornings and afternoons," he told AFP, as another volunteer walked around spraying a can of disinfectant.



Walton Group's top officials cut a cake to launch the company's electrical appliance brand, Safe, at Walton Factory in Gazipur's Chandra area recently.

US-Bangla eyeing to make Sylhet more accessible

FROM PAGE B4

In 2019, the number of domestic travellers using the airline increased 10 per cent to about 20 lakh. US-Bangla also operates flights to and from Kolkata, Chennai, Singapore, Kuala Lumpur, Bangkok, Guangzhou, Muscat and Doha.

Despite the recent coronavirus outbreak in China, the airline still maintains its route to Guangzhou.

"Many Bangladeshis stuck in China want to come back. We cannot close our doors when people are in danger," Ahmed said. The number of people killed by the virus

rose by 97 last Sunday, the highest number of casualties in a day, taking the total death count in China to 908.

"The necessary safety measures have been taken to prevent the spread of coronavirus and I personally went to China few days earlier to boost the crew's mental strength," he added.

Monirul Haque Joarder, director for flight operations of US-Bangla; Moshikul Azam, head of training; Musa Mollah, director of administration; and Md Kamrul Islam, general manager-public relations, also spoke on the occasion.



Mosleh Uddin Ahmed, CEO of NCC Bank, and Masihul Huq Chowdhury, CEO of Community Bank, sign a remittance drawing agreement between the banks at the former's head office in Dhaka yesterday.



Sikder Mezbahuddin Ahmed, CEO of US-Bangla Airlines, speaks at a press conference at a hotel in Sylhet on Sunday.

Digital campaigns in murky waters

FROM PAGE B1

Ashikul Alam Khan, CEO of priyoshop.com, said the Tk 600 crore being paid through the legal channel represented a tiny part of Facebook and Google's market here. The remaining Tk 1,400 crore will never come under Bangladesh's books, he added.

"Our policymakers can also consider another way. We are now paying 43.75 per cent tax and if the government reduces it and makes the process simpler, that might have a positive impact both in terms of government revenue and compliance," said Khan.

Khan also mentioned that while digital companies such as Uber, Daraz and Foodpanda were paying their digital campaign bills from abroad, local companies were claiming that the process was, in effect, money laundering.

"We don't know how much money exactly they are spending for that, so who can say if the market size of Bangladesh's digital campaigns is not Tk 5,000 crore?" he questioned.

Muhammad Risalat Siddique, chairman of digital and social media marketing agency Analyzen, said there was no level playing field when it came to digital spending.

"Companies that want to be compliant will have to pay extra," said Siddique, also chairman of the standing committee of the Bangladesh Association of Software and Information Services (BASIS) on digital marketing. He urged the government to simplify the process to help companies be compliant.

Ashish Chakraborty, director and chief commercial officer of SSL Wireless, said the process was so complex that companies

would have to "spend more" to comply with regulations of Bangladesh Bank and the National Board of Revenue (NBR).

"I am quite certain that if we can simplify the process a bit more, more companies will use the standard authenticated channel and that will help to ensure bringing in government revenue," he added.

Chakraborty also proposed formulating a separate tax structure for local and international companies. This was seconded by Risalat Siddique. ABM Javed Sultan, head of digital business of Prothom Alo, said there were currently about 1,800 Bangladeshi websites earning from Google.

However, it is just 8 per cent of what Google was earning from the country, he added. Waiz Rahim, CEO of Deligram, said the law of the land was so complex that local companies found it confusing to comply with it.

"We, the digital commerce industry, need end-to-end support from the government, like that provided to the garment sector, and the ICT ministry can play a role here," he said.

Rahim said the NBR, with its process and law complexities, was trying to "squeeze the blood flow" of Digital Bangladesh.

Md Saimum Hossain, assistant professor of finance at the University of Dhaka, said the difference between unfair competition and fair play and compliance and non-compliance were slowly eroding.

Awareness needs to be ensured to ensure compliance alongside simplification of the process, he said.

Mastercard Country Manager Syed Mohammad Kamal and Mindscape Director Akif Ahmed attended the discussion.

Cashing in on cricket mania

FROM PAGE B4

As the specific tree logs required to make cricket bats were not available in Dhaka at the time, Bepary returned to his village where the wood was available. After that, he began to craft cricket bats for commercial purposes in 1992. The bats were sent to Khan's shop in Dhaka, where they would be sold regularly.

Following Bepary's example, a cottage industry of 200 has sprouted in Nesarabad that is minting Tk 15 crore every year.

The factories can be found at the Uribuniya, Binna, Khejbari, Jilbari and Katakhalhi villages under Balodia union, said local businessmen.

According to various cricket bat producers, the business began to spread widely in Nesarabad upazila from 1997, after Bangladesh won the ICC Trophy, the qualification tournament for the 1999 Cricket World Cup, in Malaysia.

Following Bangladesh's victory, the demand for cricket bats rose suddenly as did the people's love for cricket, they said.

To make cricket bats, ideally light wooden logs are needed. In Bangladesh's case, the most suitable wood for the purpose was Gewa wood, which is found in the Sundarbans.

At first, the logs were widely used but after the government banned the cutting of Gewa trees in the mangrove forest, producers switched to kadam (burflower-tree) and hog plum logs, which are very low in quality. Generally, bats of nine different sizes are made. The prices range from Tk 200-250 depending on size, said Maksudur Rahman, owner of a cricket bat factory at Jilbari village.

The production of cricket bats has created working opportunities for more than 2,000 people, both male and female, in the upazila, said Mizanur Rahman, who owns another

factory in the village.

Factories produce anywhere from 10,000 to 100,000 cricket bats each season, which is a six-month period beginning in November, according to Rahman.

The cricket bats made in Nesarabad are sold at almost every corner of the country.

Initially, producers would send incomplete cricket bats to Dhaka, where they would be finished and decorated for sale. Now, the entire process is handled by the local factories. These days, workers use the bat's frames using different types of motorised machines. Previously, they would have to do all the work by hand as electricity was not available in the area before 2000.

The industry has provided job opportunities for hundreds of people in Nesarabad. With many having mastered the technique of cricket bat making, new factories are opening up often.

Women have also benefitted as the factories provide a source of income. It is now commonplace to see women put the finishing touches on the bats, such as the burnish and logos. Women working at the factories earn between Tk 200-250, said Runu Begum of Jilbari village.

"This helps them support their families." However, businessmen have conceded that using poor quality wood has led to the production of lesser quality bats.

"We have the capacity to make high quality or even international standard cricket bats," said Md Mostofa Kamal, an owner of a bat factory at Jilbari village. But for want of quality willow, they are unable to do so.

To get higher quality logs, the government needs to lend its support.

"Only then will the factories be able to produce high-standard bats," he added.

India's car sales fall in January

REUTERS, New Delhi

Car sales in India fell for the 15th consecutive month in January, as slowing economic growth and rising cost of car ownership made consumers reluctant to spend, the Society of Indian Automobile Manufacturers (SIAM) said on Monday.

Passenger vehicle sales fell 6.2 per cent in January to 262,714 units from 280,091 units in 2019. But sales of sport-utility vehicles (SUVs) rose 2.6 per cent, helped by the launch of new models, data released by SIAM showed.

Sales of motorbikes and scooters, widely seen as an indicator of the health of the rural economy, fell 16 per cent in January, while sales of trucks, a barometer of overall economic growth, dropped 14 per cent.

Light engineering to help diversify export basket

FROM PAGE B4

A study by the project shows that the business productivity of light engineering workshop owners increased by 29 per cent after the intervention of the project. Around 500 people received training and support facilities to start their own businesses. Of them, 223 were female.

Approximately 9,865 youth received apprenticeship-based training, 98.65 per cent of them were placed in jobs. Some 5,182 light engineering workshop owners received technical upgrade training. Besides, 5,289 workshop owners received training on fair work conditions and health and safety at work.

Around 700 market committees received gender awareness and access to finance training under the Brac project.

No shortage of garlic, ginger or other spices

FROM PAGE B1

Onion prices have started to drop in India too following a good harvest and the neighbouring country plans to resume exports of the product soon.

The commerce minister also mentioned that the government is getting a report from the Federation of Bangladesh Chambers of Commerce and Industries on what impact the coronavirus pandemic might have on businesses, including the export-oriented industries that depend largely on China for intermediate materials and capital machinery. The country's apex trade body sought a few more days to prepare the report.



Mohammad Rassel, CEO of Evaly, an online market, receives two 'Fastest growing brand and leader' awards, presented by Asia One magazine, in the category of 'Services-E-commerce' at a recent event in Bangkok.

Meera Agro's listing hits a snag

FROM PAGE B1

The issuer has appointed Narayan Roy without knowing that he was running a fraud firm on the name of Pinaki & Company. "Actually, it is tough for a small company to know who is a fraud and who is not." Just after being informed of the issue, AAA Finance & Investment has withdrawn the application of qualified investor offering. "We know that it is totally illegal. How a false auditor auditing reports and none is taking steps against him? Is there no one to stop such fraud auditors?"

Rahman said now they are assigning another auditor and will resubmit the draft prospectus, which is going to be costly for them too.

"This is a surprise to us," said Syed Abdullah-Al Mamun, managing director of Meera Agro, adding that the seed producer did not appoint the audit firm. The episode can be viewed as a foot note in the long list of irregularities centring the stock market, which is now battling a bad rap.

"This is how investors' confidence in the market plummets," said Abdul Mannan, a stock investor. Auditors should be accountable for their works.

"A fraud auditor is working but none is taking steps against him. This is not good sign for the country," he added.

Mohammad Mohiuddin Ahmed, executive director of Financial Reports Monitoring Division at Financial Reporting Council (FRC), said he will check the issue but cannot take any punitive action. "[Roy] is a common man -- not an auditor. I can only punish the company."

But even then, FRC is not yet authorised to take actions against the companies.

FRC was established in 2016 by the government under the Financial Reporting Act with the view to ensure transparency in financial reports of listed and non-listed companies.

"The DSE and BSEC can punish both the issue manager and the company," Ahmed added.

Contacted, BSEC spokesperson Saifur Rahman, passed the responsibility of handing out punishment to the DSE. "As the auditor wrote the letter to the DSE, they should do something first. If the DSE refers the issue to us we will take steps," said Rahman, also executive director of BSEC.

Officeclick received huge response from a large number of visitors in BASIS SOFT EXPO 2020

Officeclick, a sister concern of Orogenic Resources (BD) Limited, participated at the 16th BASIS SOFT EXPO 2020 (February 6-9) to showcase their unique B2B e-commerce services. A 15% discount was offered on MRP for the visitors who ordered from the Officeclick pavilion.

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 Potential candidates are requested to apply in confidence with Curriculum Vitae, along with 02 copies of color photos and copies of all credentials to: The Managing Director, INTERMODAL PTE LTD., Iqbal Ehaban, 73 Agrabad C/A, Chittagong, Bangladesh by 17th February 2020 positively.