

STOCKS		COMMODITIES		ASIAN MARKETS		CURRENCIES	
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	USD	EUR
0.37%	0.46%	\$1,483.50	\$26.98	5.75%	Closed	83.95	88.71
3,960.17	6,777.69	(per ounce)	(per barrel)	29,915.96		SELL TK	96.89
							11.61
							12.21

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BUSINESS

আপনার বিআরটিএ ফি এবং সকল ইউটিলিটি বিল এসআইবিএল এর যে কোন শাখার মাধ্যমে জমা দিন

ফ্রি অনলাইন সেবা
যে কোন প্রয়োজনে ০৯৬৯২০০৯৯২২

DHAKA MONDAY MARCH 23, 2020, CHAITRA 9, 1426 BS
starbusiness@thedailystar.net

TAMING CORONAVIRUS RAMPAGE

Local airlines battling an existential crisis



MAHMUDUL HASAN

Local airlines -- Biman, US-Bangla, Novoair and Regent -- are on course to losing Tk 350 crore in revenue just this month alone for the coronavirus pandemic, which has forced countries to close borders and brought air travel to a near-halt.

The international route-focused Regent Airways is reeling the most from the crisis: it has temporarily suspended its operation from yesterday.

"This was the hardest decision, but we had no other option as all of our international routes are now shut," Imran Asif, chief executive officer of the airline, told The Daily Star yesterday.

On Saturday, the airline suspended operations as per a government direction to its last destination: Singapore.

The government has cut air connectivity with 10 countries until March 31 to curb the spread of the novel coronavirus in the country. The countries are: Qatar, Bahrain, Kuwait, Saudi Arabia, the UAE, Turkey, Malaysia, Oman, Singapore and India.

Before the crisis, the Chattogram-based Habib Group-owned airline flew around 51 times on two domestic and five international routes through

its four Boeing 737-800.

"We will try to return all of our aircraft to the lessor as soon as possible," he said, adding that the airline's loss in revenue would be about Tk 40 crore for March alone.

However, industry insiders said the airline's loss in revenue would not be more than Tk 30 crore.

The airline's five international routes are: Kolkata, Kuala Lumpur, Singapore, Muscat and Doha and two domestic routes are Chattogram and Cox's Bazar.

The airline currently employs about 600 people and it will cut the jobs of about one-third of them.

Some will be sent on pay without leave, while some will be laid off, Asif said, adding that Regent plans to resume normal service after three months.

"This is an extraordinary situation that has taken a huge toll in our business and operations," Md Mokabbir Hossain, managing director and CEO of Biman Bangladesh Airlines, told The Daily Star.

The flag carrier's overall losses would be about Tk 250 crore in March.

The two key sources of the airline's revenue come from ticket sales and ground handling.

The 18 aircraft-strong carrier was operating 350 flights on 17 routes a week before the outbreak.

Now, the number of weekly international flights decreased to 8 from 218.

"The passengers in local routes also dropped to half. Now, we have to cancel many local flights due to passenger shortage," he added.

The number of daily domestic flight of US-Bangla Airlines came down to 21 from 29 as of Saturday.

Before the outbreak, the airline, which has a fleet of 13, ran 29 domestic flights to and from: Chattogram, Cox's Bazar, Jashore, Saidpur, Sylhet, Rajshahi and Barishal and Dhaka every day.

On the international skies, US-Bangla operated about 100 flights a week to and from: Kolkata, Chennai, Singapore, Kuala Lumpur, Bangkok, Guangzhou, Muscat and Doha.

Now, it operates 6 flights a week on just one route: China's Guangzhou. But that route too will be shut from tomorrow.

Sikder Mezbahuddin Ahmed, chief executive officer of US-Bangla Airlines, demanded waiver of all charges by the Civil Aviation Authority of Bangladesh for the next six months to help the carriers ride out the crisis caused by COVID-19.

"If the government does not extend any assistance amid the crisis, the local airlines' existence will be endangered," Ahmed said, while calling for low-interest loans for the airlines.

The airline's estimated loss in revenue in March would be Tk 35-40 crore, said an official of US-Bangla wishing anonymity.

READ MORE ON B3

STAR BUSINESS REPORT

In an unprecedented move, the central bank yesterday said it will buy Treasury bills and bonds from banks and non-bank financial institutions (NBFIs) to tackle the impending economic slowdown brought on by the coronavirus pandemic.

The government securities from the secondary bond market will be purchased such that liquidity management of banks and NBFIs will not face any impediment due to the coronavirus pandemic, according to a central bank notice.

The central bank will purchase the securities on the market rate, which will be determined by auction.

The interest rate on the government securities was between 7.10 per cent and 9.10 per cent as per the immediate auctions.

The decision has come after the Reserve Bank of India had declared to buy bonds on the open market for a total of Rs 100 billion (\$1.35 billion) to protect its economy from the ongoing crisis arriving from the novel coronavirus outbreak.

The central bank rarely purchases T-bills and bonds from banks.

"This is the first time that the

central bank has issued such a notice formally. We had to change seeing the market is facing severe liquidity crunch," said a Bangladesh Bank official.

Banks will be allowed to sell their



T-bills and bonds after holding their statutory liquidity ratio (SLR).

Lender hold the majority of the excess liquidity in the form T-bills and bonds. Excess liquidity in the banking sector stood at Tk 105,646 crore as of December last year, according to data from the central bank.

Experts welcomed the quantitative easing programme, saying it will give a lifeline to the local industries

as banks will be able to inject funds easily.

Quantitative easing (QE) is a form of unconventional monetary policy in which a central bank purchases longer-term government securities or other types of securities from the open market in order to increase the money supply and encourage lending and investment.

Buying the securities adds new money to the economy, and also serves to lower the interest rates by bidding up fixed-income securities.

But experts said the central bank should have fixed a selling amount of bills and bonds, which central banks of other countries have already done so.

"This is a good decision beyond doubt. But the central bank should have mentioned it in its notice how much bills and securities it would purchase," said Ahsan H Mansur, executive director of the Policy Research Institute.

The central bank should purchase government securities worth Tk 25,000 crore such that lenders can supply the required cash to the private sector, which have been hit hard by the ongoing financial crisis.

READ MORE ON B3

PRICE SENSITIVE INFORMATION

This is for information of all concerned that the Board of Directors of Bank Asia Limited in its 428th meeting held today, the 22nd March 2020, at 3:30 p.m. at the Board Room of the Bank at Bank Asia Tower, 32 & 34 Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1215, has approved the audited Financial Statements of the Bank for the year ended 31st December 2019, and took the following decisions:

i)	Proposed dividend for the year ended 31 st December 2019	10 % Cash Dividend			
ii)	21 st Annual General Meeting :	Date :	April 29 (Wednesday), 2020		
		Time :	11:00 A M		
		Venue :	Convention Hall, Bank Asia Tower, 32, 34 Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1215		
iii)	Record date	April 13 (Monday), 2020			
	Particulars	Solo		Consolidated	
		2019 (Taka)	2018 (Taka)	2019 (Taka)	2018 (Taka)
iv)	Net Asset Value (NAV) (Million Taka)	24,745.12	23,340.13	24,586.58	23,189.84
v)	NAV per Share	21.22	20.02	21.09	19.89
vi)	Earnings per Share (EPS)	1.68	1.94	1.68	1.92
vii)	Net Operating Cash Flow per Share (NOCFPS)	22.74	3.13	22.94	3.00

The Shareholders whose names will appear in the Share Register of the Company on the Record Date will be entitled to attend and vote at the Annual General Meeting (AGM) and to the dividend declared in the AGM.

Dated: Dhaka
March 22, 2020

Corporate Office

Rangs Tower (2nd to 6th floor)
68, Purana Paltan, Dhaka-1000

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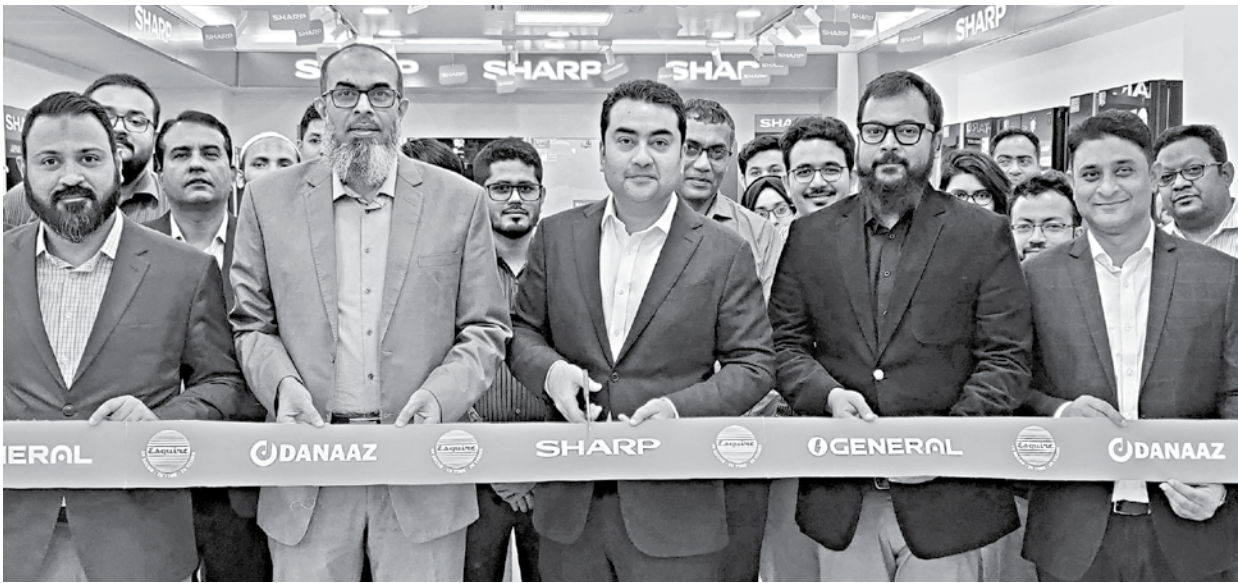
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Arifur Rahman, managing director of Esquire Electronics, distributor of Japanese electronics brands Sharp, General and Mitsubishi Heavy Industries, cuts a ribbon to open a new showroom at Esquire Tower in Dhaka recently.

Indian business, transport suspended during 14-hour lockdown

REUTERS, Mumbai

Hundreds of millions of Indians stayed at home on Sunday, heeding the prime minister's appeal for people to self-isolate to contain the coronavirus as confirmed cases in South Asia surged to 1,144 with 10 deaths reported.

While the curfew was voluntary and not an outright ban on movement, Narendra Modi's appeal resonated and streets across India wore a deserted look, paving way for government to impose swift measures to suspend rail and transport services this week.

Federal and state governments completely shut down 75 districts across the country and Indian Railways, which carries more than 25 million commuters a day, cancelled all passenger train services until March 31.

Air quality in the usually noisy and bustling financial capital of Mumbai has improved markedly and social media users posted videos of empty streets with the sound of birds chirping.

Firefighters in western India

fumigated areas around closed markets, public squares and urban slum districts as fears of community transmission of the virus grew across India.

Experts have warned that coronavirus cases in India mirror rates during the early stages of the outbreak in other countries before they experienced exponential increases.

With a population of more than 1.3 billion people, India is trying to battle a pandemic with limited resources.

"The curfew period has given us a chance to scale down each and every activity across India," said a senior aide to Modi, adding that a more rigid approach could trigger protests or unrest.

"A breakdown of law and order will be the worst thing to happen at this point," he said on condition of anonymity.

Factories, large industrial parks and banks were declaring shutdowns or finding ways to minimise contact in offices.

Vegetable stalls and small tea shops were quietly closed down by local police and truck drivers were given free

masks and sanitisers at checkpoints on inter-state highways.

State leaders urged citizens not to rush to villages but tensions mounted as angry labourers protested at some bus stations against sudden closures of basic transport services.

Private events, such as weddings, and local elections were cancelled while the federal government sought to accelerate production of masks and allowed deodorant manufacturers to produce sanitisers.

Modi has asked citizens to stand at balconies and near windows on Sunday evening to clap and ring bells in praise of emergency personnel and sanitation workers on the frontline of the fight against the coronavirus.

India has cancelled most entry visas for people flying in from other countries. Facebook's WhatsApp has partnered with the federal government to launch a helpline for sharing accurate information about the epidemic and tackle the spread of misinformation through its platform. India is WhatsApp's biggest market with 400 million users.

Crude reality: price crash means oil firms must slash spending

AFP, Paris

Confronted with a dizzying drop in prices, oil firms face a real challenge as they try to cut investment spending in order to survive a coronavirus-induced collapse in demand coupled with a Russia-Saudi Arabia price war.

Investment in oil exploration and production was set to hit just over half a trillion dollars this year according to the French research body IFPEN, as firms sought to maintain and expand output.

But the emergence of the coronavirus, which has seen nations across the world confine citizens at home and shutter businesses to slow its spread, has upended all forecasts.

The International Energy Agency, which advises oil-importing nations on energy policy, now expects the first annual drop in oil demand since 2009 during the global financial crisis, as the global economy tips into recession.

The main international benchmark, Brent crude, has fallen from just shy of \$60 per barrel to under \$25 this week, before regaining some lost ground.

The main US benchmark, WTI, tumbled from nearly \$54 to just over \$20. Not all of the drop is due to the coronavirus. The price of oil had been supported for the past couple of years by production limits agreed by the OPEC oil cartel led by Saudi Arabia and a number of other producers including Russia.

However Russia and Saudi Arabia failed to agree earlier this month on deeper cuts to take account of falling demand due to the coronavirus pandemic. Saudi Arabia subsequently slashed prices and announced it would boost output and Russia followed suit, leading to the vertiginous drop in prices.

"All companies in the sector will be seeing what more they can do to cut costs, shift their activities to the lowest cost fields they can, trim investment and think hard about what dividend they can pay," said Professor David

Elmes at Warwick Business School.

While reducing investment is relatively easy in the near term, the longer prices remain low the more firms will need to look at shutting down production that is more expensive, such as offshore.

"For the majors, the prospect of \$30 per barrel of oil or below for a period of time is an extreme challenge," said Biraj Borkhataria, an analyst at RBC Capital Markets.

He said that if these prices persist more than six months, then oil majors would need to cut into the generous dividends they pay -- which is why they are prized by many investors -- and that prospect has already been partly incorporated into their share prices.

Saudi Aramco says it will cut investment to \$25-\$30 billion this year, a modest drop on the \$32.8 billion it spent last year.

"Based on this unprecedented environment, we are evaluating all appropriate steps to significantly reduce capital and operating expenses in the near term," said Exxon Mobil Corporation's chief executive Darren Woods.

British oil major BP is targeting a

20 percent drop in spending this year, its chief financial officer Brian Gilvary said in an interview on Bloomberg television. There are also many smaller oil companies who may struggle.

"The medium-sized independent companies will be hit hard," said Moez Ajmi at auditing firm EY in France.

"Decisions will be taken to delay projects and we'll see restructurings of debt." The boom in shale oil production made the United States the world's top producer and even a net exporter, but the industry is fragile.

Many of the independent shale firms have been built on debt and even before the drop in prices had trouble turning a profit, according to analysts. Environmental activists can barely hide their joy at the difficulties the oil industry faces.

"We consider it is pretty much good news considering that these (exploration and development) projects shouldn't see the light of day given the urgency of climate change," said Cecile Marchand of the French chapter of Friends of the Earth.



AFP

Oil companies are trying to cut investment spending to help them weather the coronavirus storm.

Amazon raises overtime pay for warehouse workers

REUTERS

Amazon.com Inc said on Saturday it is raising overtime pay for associates working in its U.S. warehouses as the world's largest online retailer tries to meet the rapidly growing demand for online shopping from consumers stuck at home during the coronavirus outbreak.

Chief Executive Officer Jeff Bezos, the world's richest person, also said on Saturday, "My own time and thinking is now wholly focused on COVID-19 and on how Amazon can best play its role," according to a message posted on a company website.

Hourly workers at Amazon's U.S. warehouses will receive double pay after 40 hours for overtime, up from the 1.5-times rate, from March 15

through May 9, the rate increase announcement said.

This is the second time the e-commerce giant announced an increase in pay for its workers in a week. On Monday, Amazon hiked the minimum hourly rate for associates to \$17 from \$15 and announced plans to hire 100,000 warehouse and delivery workers in the United States as the virus outbreak boosts online orders.

As the virus spreads across the U.S., Amazon has offered unlimited unpaid time off to encourage employees to stay home if they do not feel well. It has also staggered workers shifts and prohibited employees from sitting next to each other in the lunchroom to limit contact.

But four Democratic U.S. senators,

including Cory Booker and Bernie Sanders on Friday expressed concern in a letter to Bezos that Amazon has not taken enough measures to protect its warehouse staff. They specifically asked if the company would provide time-and-a-half hazard pay for its workers.

In response to Saturday's wage news, one of the letter's signatories, Senator Robert Menendez said he applauded the decision but that Amazon still had work to do to protect employees.

Bezos said in Saturday's online post that Amazon has ordered "millions" of face masks for its on-site staff, but few have been filled because the masks are in low supply and are first going to hospitals at governments' directions.



GUARDIAN LIFE

MM Monirul Alam, CEO of Guardian Life Insurance, cuts a cake to celebrate the birth centenary of Father of the Nation Bangabandhu Sheikh Mujibur Rahman at his head office.



গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

অধ্যক্ষের কার্যালয়

চট্টগ্রাম কলেজ, চট্টগ্রাম

College Education Development Project (CEDP)

Phone No: 031-615007, email: ctgcollege@yahoo.com



মুজিব শতবর্ষ ১০০

Invitation for Tenders

Issue No- ctgcol/cedp/idg/otm(w)/ift102 Date: 23/3/2020

1	Ministry/Division	Ministry of Education.
2	Agency	University Grants Commission/National University.
3	Procuring entity name	Principal, Chittagong College, Chattogram.
4	Procuring entity code	N/A
5	Procuring entity district	Chattogram
6	Invitation for	Refurbishment of multiple class rooms, library, wash rooms etc. at Chittagong College.
7	Invitation Ref No.	ctgcol/cedp/idg/otm(w)/ift102
8	Date	23/3/2020

KEY INFORMATION

9	Procurement method	Open Tendering Method (National).
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FUNDING INFORMATION

10	Budget and source of funds	Development Budget (Government & IDA Credit).
11	Development partners	International Development Association (IDA), World Bank.

PARTICULAR INFORMATION

12	Project code	224017200
13	Project name	College Education Development Project (CEDP).
14	Tender Package No.	W-02
15	Tender package name	Refurbishment of class rooms (2-Nos), library, wash rooms and female common room (ground floor inside) at Chittagong College, Chattogram.
16	Tender publication date	23/3/2020
17	Tender last selling date	06/4/2020, Time: 5:00pm
18	Tender closing date and time	07/4/2020 Time: 1:00pm
19	Tender opening date and time	07/4/2020 Time: 3:00pm
20	Selling tender document	Office of Principal, Chittagong College, Chattogram.
20	Receiving tender document	Address (PRIMARY PLACE): Office of the Principal, Chittagong College, Chawkbazar, Chattogram. Address (SECONDARY PLACE): Office of the Officer in Charge (OC), Chawkbazar Thana, Chattogram.
	Opening tender document	Office of Principal, Chittagong College, Chattogram.
21	Place/date/time of pre-tender meeting (optional)	Shall not be held.

INFORMATION FOR TENDERER

22	Eligibility of tenderer	1. The tenderer shall have a minimum 05 years' general experience in activities (renovation/repair/extension) and physical services. 2. The tenderer shall have satisfactory completion of refurbishment activities of minimum BDT 40,00,000 (forty lac) only under maximum 01 contract in the last 03 years. 3. The required average annual construction turnover shall be greater than BDT 200,00,000 (two crore) only over the last 03 years. 4. The minimum amount of liquid assets i.e. working capital or credit line(s) of the tenderer shall be BDT 45,00,000 (forty-five lac) only. 5. Other criteria mentioned in Tender Data Sheet.
23	Brief description of goods or works	Brick work, plaster, floor & wall tiles, plastic paint, door window repair, grille repair, enamel paint, electrification works etc.
24	Brief description of related services	Related service shall be in accordance with Section 4: Particular Conditions of Contract, Section 6: Bill of Quantities.
25	Tender document price	BDT 1,500 (one thousand five hundred) only.
26	Tender name	Location Tender security amount (Tk.) Completion time (in months)
	Refurbishment of Class rooms (2-Nos), Library, wash rooms and female common room (ground floor inside) at Chittagong College, Chattogram.	Chittagong College, Chattogram 1,20,000.00 2 (two) months
27	Name of official inviting tender	Professor Mohammed Mujibul Hoque Chowdhury.
28	Designation of official inviting tender	Principal, Chittagong College, Chattogram.
29	Address of official inviting tender	Principal, Chittagong College, College Road, Chawkbazar, Chattogram
30	Contact details of official inviting tender	Tel: 031-615007 Mobile: 01814662829 email: ctgcollege@yahoo.com
31	The procuring entity reserves the right to accept or reject all tenders without assigning any reason whatsoever.	

Professor Mohammed Mujibul Hoque Chowdhury
Principal, Chittagong College

GD-571



Government of the People's Republic of Bangladesh

Office of the Principal
Bangladesh Institute of Glass & Ceramics
Tejgaon, Dhaka-1208
www.bigc.gov.bd

Memo No. 37.03.2692.300.07.003.20.48

Dated: 22/03/2020

Re-Tender Notice

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of the following goods.

Sl No.	Tender ID	Number & name of package	Last selling date & time	Last date & time for tender security submission	Closing date & time
2.	448962	BIGC/2019-20/G-2 Supply of cleaning materials, other stationery, chemicals, raw materials & spare parts, uniform and sports goods.	05 Apr-2020 Time: 13:00	05 Apr-2020 Time: 14:00	05 Apr-2020 Time: 15:00

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP System Portal (<http://www.eprocure.gov.bd>) is required. The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online through any registered banks branches. Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (www.helpdesk.eprocure.gov.bd) also from **help desk Email: helpdesk@eprocure.gov.bd**

Interested persons can communicate with the undersigned during office hours.

Md. Ayub Ali
Principal
Bangladesh Institute of Glass & Ceramics
Tejgaon, Dhaka-1208
Phone: 9110319; 01716237252

GD-568

Border trade at Hili, Benapole ports suspended

OUR CORRESPONDENT, Dinajpur & Benapole

Border trade through the Hili and Benapole land ports remained at a standstill yesterday following the declaration of a nationwide curfew in India and lockdown of Balurghat, a city in the Indian state of West Bengal, on Saturday.

The suspension of trade operations, which was taken to avoid the spread of coronavirus, will continue for the foreseeable future, according to local traders.

However, travellers had made their way through both ports unencumbered by the restrictions since March 13, when the Indian government decided to halt all immigration services until April 15.

"Trade between the two countries have remained suspended since yesterday after India declared a lockdown in Balurghat the day before in fear of a spread of coronavirus," said Abdur Rahman Liton, general secretary of the C&F Agent Association of Hili Land Port.

Goods such as onion, stone, fruits and green chilli are imported through the port.

Once news of the port's indefinite closure reached markets in the district yesterday, retail price of onion, which was selling at

Tk 50 per kilogramme, increased by Tk 10 per kilogramme within the afternoon.

Meanwhile, over 500 trucks laden with goods were stuck at the Petrapole end of India yesterday, awaiting clearance to enter Benapole.

Border trade at Benapole Land Port, from which the government collects Tk 20 crore in revenue daily, was suspended on Sunday morning due to the nationwide curfew in India.

"The import-export operations were closed for only a day and are expected to resume tomorrow (Monday) morning," said Akram Hossain, assistant commissioner of Benapole Custom House.

Besides, the loading and unloading of goods for delivery has continued as usual, said Mofizur Rahman Sajon, president of the Benapole C&F Agent Association.

Meanwhile, 1,462 people have travelled from India to Bangladesh while 572 vice versa between March 14 and 20, said Sekendar Ali, officer in charge of immigration at Hili Land Port.

Only nationals of either country are allowed to travel through the port at this time. "Nationals from both sides are taking this opportunity to return home," he said.

From 'Sam-suck' to Apple rival: the Samsung transformation

AFP, Seoul

Military-style management and an unquestioning reverence for the founding Lee family have fuelled Samsung's transition from the world's most ridiculed phonemaker to its biggest, says the author of a new book.

Today Samsung -- by far South Korea's most powerful conglomerate with more than 50 affiliates from electronics and insurance to hotels and apartments -- is a larger smartphone manufacturer than Apple, and at the same time a key supplier to its great rival.

The group's overall turnover is equivalent to a fifth of the GDP of the world's 12th-largest economy, where citizens sometimes refer to their country as the "Republic of Samsung". It is a remarkable transformation from only a few years ago when Western consumers mocked it as "Sam-suck" for its unreliable products.

At first fascinated by the firm, author Geoffrey Cain said: "As I got deeper, I felt like I was going down the rabbit hole." Its rise was tainted with corruption, he writes in "Samsung Rising", a rare English-language detailing of the highly secretive and opaque empire, published last week

in the US. Cain interviewed around 400 people, including current and former Samsung employees, executives and politicians, he said, but many refused to be named or go on the record. Founder Lee Byung-chul started Samsung -- the name means "Three Stars" -- as a vegetable and dried fish shop in 1938 and after the Korean War expanded into sugar, finance, chemicals, electronics and more.

Lee saw Samsung as more than a business, identified with the war-ravaged nation itself, and it played a key part in South Korea's rise to become Asia's fourth-biggest economy.

He forged close relations with military dictator Park Chung-hee, and married off his sons to daughters of governors and ministers, sealing enduring connections with political power.

Cain zeroes in on the firm's long-running relationship with Apple, which began when a youthful Steve Jobs met Lee Byung-chul in 1983 as he sought parts to build a tablet computer -- 27 years before releasing the iPod.

A short-lived alliance was revived in 2005, when Samsung Electronics went to Jobs with its new NAND flash memory chips and became sole memory provider for the iPod.

The South Korean firm has since become a competitor to Apple as well as a supplier, even though its own executives once dismissed their own products, saying the iPhone and Galaxy S were as different as "heaven and earth". The change was effected through military-style discipline and long, intense hours, Cain says.

"Untouchable 'generals' charged into each new project, and even when things looked iffy, the field troops were expected to praise them to the skies, convincing themselves of their company's and leaders' greatness," he writes.

Despite sometimes "bizarro" working practices -- lorryloads of fruit were delivered to a US office to remind staff of their mission "to take a bite out of Apple" -- most Samsung employees displayed unquestioning reverence for the founding family, Cain writes.



AFP

Samsung is by far the South Korea's most powerful conglomerate.

Local airlines battling an existential crisis

FROM PAGE B1

Another local airline Novoair's daily flights on domestic routes have come down to 54 from 26. Its only international route -- Kolkata -- has been shut from the middle of this month, when the Indian government suspended flights from Bangladesh until the middle the April.

Mofizur Rahman, managing director of the airline, estimates the loss in revenue would be about Tk 25-30 crore this month.

Kazi Wahidul Alam, an aviation expert, forecasted that the loss of the local airlines will increase in the near future.

"This deadlock will take a turn for the very worst in the coming months and their losses will go on," said Alam, also the editor of The Bangladesh Monitor, a premier travel fortnightly.

About 6,000 are directly employed by the four local airlines.

The government should urgently take necessary steps or else many of them would be jobless soon, he added.

The Aviation Operators Association of Bangladesh on Saturday urged the government to waive all aeronautical and non-aeronautical charges levied by CAAB from February until the coronavirus pandemic subsides.

The association also asked the government to totally remove the advanced taxes for the import of aircraft engines and the necessary spare parts and the value-added tax on jet fuel imports for domestic aircraft operators.

M Mafidur Rahman, chairman of CAAB, said the authority will place the demand of the local airlines after evaluating their losses to the aviation ministry and to the finance ministry.

"We would recommend incentives to help sustain the local airlines," he said, adding that CAAB too is losing Tk 1 crore in revenue a day.

Md Mahbub Ali, state minister for civil aviation and tourism, said on Saturday top officials of local airlines placed some demand and the government will act after getting recommendation from the authorities.

Governments the world over are scrambling to rescue airlines that have been forced to park planes and cut jobs as the lethal, pneumonia-like virus that is spreading like wild fire has put the brakes on all forms of travel.

Online grocery delivery pushed to breaking point

FROM PAGE B4

"First, we have to keep our staff safe and that is why we have introduced alternate days for staff to work from office and then from home and also ensured additional safety measures," Rahul added.

Downgrade doom looms for coronavirus-hit firms and markets

REUTERS, London

A wave of credit rating downgrades in the corporate sector risks deepening a funding crisis for company bosses and spreading it to other markets.

The coronavirus' suckerpunch to the global economy has prompted Moody's rating agency to review its corporate ratings, the agency told Reuters this week, with a slew of downgrades or downgrade warnings on the cards.

A credit rating cut is a blow for a company in any circumstance, making it more expensive to raise fresh debt or refinance existing bonds. But it is potentially devastating when markets are in a panic and company cashflows are shrinking.

A downgrade to 'junk' status, the lowest credit rating indicating a higher risk of default, forces investors to scatter because many asset managers

cannot hold junk-rated debt. Without any willing buyers, the risk is a panicked sell-off which could also spread to other markets.

Moritz Kraemer, a former top sovereign analyst at S&P, likened the risk to when Greece lost its investment grade as the euro zone debt storm was whipping up.

"There was no one to catch the knife when it fell," he said. "As the ratings get pushed down there are not enough junk grade investors to absorb it all." S&P upped the ante on Friday cutting two of Europe's biggest flag carriers British Airways' owner IAG and Germany's Lufthansa to the last notch of investment grade and warning they could be downgraded again.

With certain sectors such as airlines, travel and energy badly hit, S&P has said it now sees default rates in the

United States surging past 10% having only last month expected 3.5%, and Fitch is firing warnings too.

Adding to the sector's vulnerabilities, the squeeze on ratings comes when the corporate sector is more vulnerable than it was 10 years ago. Low interest rates have encouraged companies to gorge on record amounts of cheap debt -- globally corporate debt has risen more than 50% since 2008 to over \$72 trillion, Bank for International Settlements (BIS) data shows.

At the same time, the creditworthiness of companies has weakened. The share of bond issuers with the lowest investment grade rating -- BBB- for S&P and Fitch or Baa3 for Moody's -- has risen to around 45% in Europe from around 14% in 2000, and to 36% in the United States from 29%, BIS analysis shows.

Garment factories to stay open

FROM PAGE B4

Until 5:00pm yesterday, 385 factories had work orders worth \$1.05 billion cancelled by international retailers, according to the BGMEA.

Sirajul Islam Rony, a former workers' representative for garment workers' minimum wage board, in the meeting said he supported keeping the factories open. If the factories are closed down now, the workers will face big trouble as they will not have money in their hands.

"In the greater interest of the workers I supported keeping the factories open," he said after the meeting.

Amirul Haque Amin, president of the National Garment Workers Federation, suggested keeping the garment factories open with safety gears for workers in place.

For instance, electronic thermal

scanning machines can be installed in front of every garment factory to identify workers suspected of being infected with coronavirus.

Moreover, the factory owners will have to provide face masks and other necessary safety gears to workers so that they can continue working in the factories while the coronavirus pandemic persists, he added.

He also suggested meetings be held amongst the government, buyers, owners and workers to resolve any related crisis.

During such a critical moment, overtime should be stopped and workers should just run their normal working hours, he said.

Meanwhile leaders of Sramik Karmachari Oikya Parishad (SKOP), in a meeting at Sromo Bhaban, also decided in favour of keeping factories open. Holding an emergency meeting

with Sufian later on, they conveyed some demands.

The SKOP, a platform of 11 labour rights bodies, demanded ensuring proper protective measures in all industrial units, including garment factories, across the country to protect workers from getting infected with COVID-19.

They also demanded rationing of daily essentials and medicines for workers alongside quarantine arrangements, if needed, at industrial zones.

The platform requested that monthly wages be ensured in full if the government was forced to announce factory closures due to the coronavirus pandemic.

The SKOP leaders also demanded an emergency fund worth Tk 50 billion for workers and formation of a taskforce comprising representatives of workers, owners and the government.

Pahela Baishakh sales crash to a halt for clothing brands

FROM PAGE B4

"This is a very low figure. In normal times, we would have received a good number of customers on Fridays and Saturdays than in other days of the week. This time the situation is different," he said.

Some yards away is located another popular fashion boutique house Anjans and its sales persons did not see a single customer until 12.30pm despite opening the doors at 10am.

"We don't know what we should do now. Clothing sales have been declining and the extent of the slump is increasing daily," said Shaheen Ahmed, president of the Fashion Entrepreneurs Association of Bangladesh (FEAB).

Entrepreneurs say most fashion houses have almost completed their preparation targeting Pahela Baishakh before the coronavirus hit the nation.

Some of them have even bought fabrics and other raw materials to make dresses for Eid-ul-Fitr, the largest sales season for domestic market-oriented businesses.

Baishakh and Eid together generate about Tk 6,000 crore in sales for businesses that work with locally weaved fabrics, said Ahmed, also the proprietor of Anjan's.

Now, the coronavirus crisis is looming over inventory build-ups and has had ripple effects on the supply chain. The value of ready stock for Baishakh would be Tk 1,200 crore,

according to Ahmed.

There are more than 1,000 small and medium business that make clothes with local fabrics, according to the FIAB, which has 100 members.

A large number of people -- weavers, traditional dyers and artisan -- are dependent on the sector. The number of people employed in the sector is much higher.

"We are yet to take any decision on what to do and what not to do. We have faced fluctuations in sales for short periods of time during floods and cyclones, but this is an entirely new situation that we have never experienced before and we do not know when it will come to an end," Ahmed said.

All fashion houses, however, have windows to sell online.

"But, would people be in the mood to celebrate the festival? None have the peace of mind, not only in Bangladesh but also across the globe," Ahmed said.

It remains unclear when the crisis will be over, said Azharul Haque Azad, managing director of Sadakalo, another boutique house.

A large portion of the clothes made for Baishakh festival might remain unsold unless the situation improves soon.

Outfits for the Bangla new year celebration are made with certain motifs and it is very difficult to sell them during rest of the year.

"The concern is, when will this inventory sell out? And this will affect artisans, weavers and others as I will not make new clothes," Azad added.

Aarong, the country's biggest fashion and lifestyle retail chain, unveiled its Baishakh collections on March 13.

"Daily sales have halved. Customer turnout has dropped drastically," said Mohammad Ashrafal Alam, chief operating officer of Aarong.

The fashion retail, a social enterprise of Brac, supports 65,000 artisans, including 600 micro and small businesses.

"We will be working on so that we can ensure their livelihood. Right now, we are focusing on raising awareness, ensuring safety and security for customers and sales persons to prevent and control the virus," he said.

Ahmed also has similar feelings.

"Sales are no longer a major concern for us at the moment. It will be good for everyone as soon as the situation turns for the better. The crisis will slow the progress of the nation," he said, adding that it would be difficult for many to continue to pay salaries to staff if the pandemic prolongs.

Hossain of Kay Kraft, however, is yet to give up. "We are giving more time to customers. Still, we have time. If the disease can be controlled and the situation improves, sales may bounce back."

FROM PAGE B1

The BB should immediately cut the policy or repurchase agreement rate (Repo) with a view to keeping the economy afloat.

Md Serajul Islam, spokesperson of the BB, told The Daily Star on Saturday that the central bank was now working on the issue and take a positive decision would be taken in the quickest possible time.

Another central bank office said the monetary policy committee of the BB will discuss the topic today.

Mansur said that repo rate should be cut at least two percentage points from the existing 6 per cent.

The central bank can increase the Repo rate when the situation becomes

normal, he added.

Salehuddin Ahmed, a former central bank governor, echoed the same as Mansur.

"The central bank should form a good number of fresh refinancing schemes. Ant it should cut the interest rate of refinancing scheme, which is now 5 per cent," he added.

Syed Mahbubur Rahman, managing director of Mutual Trust Bank, expressed gratitude to the central bank, saying it would have a positive impact on the money market.

He went on to urge the BB to cut the interest rate on refinancing scheme as banks had counted 5 per cent interest rate on the schemes when the lending rate was 12-13 per cent.

BB orders banks to implement alternate duty roster for staff

FROM PAGE B4

As per instructions, banks will prepare a list of emergency banking services and will ensure that these services are not disrupted in case of any special situation.

The central bank asked banks to accelerate online services so that customers need not visit branches in person to carry out banking.

"Steps should be taken to encourage clients to use mobile and

internet banking," the BB said, adding that banks should carry out sales or marketing activities through digital platform.

Evening banking as well as weekend banking on Friday and Saturday would remain suspended until further notice, the notice said.

In another move, the central bank asked banks to keep adequate cash at branches so that clients can avail funds during the crisis.

The government has recently given a number of instructions and locked down some areas to tackle community transmission.

Lenders will have to supply required cash to lockdown areas in cooperation with local administration and law-enforcement agencies, said the central bank in another notice.

"Banks will have to ensure that cash supply is not disrupted at any circumstances."

TAMING CORONAVIRUS RAMPAGE

Pahela Baishakh sales crash to a halt for clothing brands

SOHEL PARVEZ

It's all colourful.
A poster with models donning red panjabi and saree pasted at one side of the entrance, while the national flag hangs on the side wall and a mannequin displays clothes in other side. In the middle, a guard stands ready to push the door open for you.

Welcome to Kay Kraft, a popular local fashion boutique.

Inside, clothes with motifs and colours are all around and sales persons are waiting to greet customers to show off their latest collections, prepared with one eye on the first day of Baishakh, the first month of the Bangla new year.

The biggest cultural festival of the nation is one of the major sales seasons for fashion houses that work with hundreds of thousands of local artisans, weavers and micro businesses across the country to make traditional dresses like salwar kameez, panjabi and saree.

The festival yields Tk 2,000 crore in sales last year, according to fashion entrepreneurs. This year, indiscriminate spread of the novel coronavirus and the rising number of deaths linked to the disease are shattering their aspiration to make bounty.

Since Bangladesh reported the maiden cases



SOHEL PARVEZ

A Kay Kraft showroom in the capital is seemingly deserted ahead of Pahela Baishakh. Other retail stores featuring traditional garb typically worn on Bengali New Year are facing similar scenarios as the looming coronavirus threat has forced people to retreat to their homes.

READ MORE ON B3

Items used to combat coronavirus now duty-free

STAR BUSINESS REPORT

The National Board of Revenue (NBR) yesterday removed all forms of import duties and taxes imposed on personal protective equipment (PPE), raw materials used in hand sanitisers, coronavirus testing kits and re-agents, said an official notification from the revenue authority yesterday.

The moves comes amid public outcry on the shortage of testing kits and PPE materials in the country, where an increasing number of confirmed coronavirus patients are being reported.

As of yesterday, the number of confirmed coronavirus patients in the country rose to 27, leading to a scramble amongst the general public for hand sanitisers and other protective gear to protect themselves from the highly contagious pathogen.

In its notification, the NBR said that it will not charge any duty or tax on import of raw materials used to manufacture hand sanitisers, re-agents used to make COVID-19 testing kits and bulk buying of disinfectants to help contain the virus.

All PPE materials, such as surgical masks and gowns, used while treating coronavirus patients are also exempt from all forms of tax or duty, according to the gazette, signed by NBR Chairman and Senior Secretary of Internal Resources Division Abu Hena Md Rahmatul Muneem.

Certain items on the duty-free list had between 5 per cent to 128 per cent total tax incidence. This included customs duty, supplementary duty, regulatory duty, advance tax, advance income tax and VAT.

The duty-free benefit will be offered for these products when imported in quantities approved by the Directorate General of the Drug Administration (DGDA). The DGDA will also monitor the standard of the imported products, the NBR said.

"We noticed that for the last few days, there has been a shortage of the essential products needed to combat the coronavirus. In light of this circumstance, the NBR has removed all forms of tariffs on the import of such products," said Nurul Huda Azad, the first secretary (customs policy) of the NBR.

The duty-free privilege for the products will remain valid until June 30 this year, he added.

Online grocery delivery pushed to breaking point

MUHAMMAD ZAHIDUL ISLAM

Online ventures that run grocery businesses have no time to even take a breather amidst the deluge of orders brought on by the coronavirus pandemic that calls for social distancing and avoiding large gatherings.

Chaldal.com, the country's largest online grocery shopping venture, is getting so many hits on its website that it has limited taking orders strictly to what it can deliver every day in Dhaka.

"We are observing hits four to five times our capacity," Zia Ashraf, co-founder of Chaldal, told The Daily Star yesterday.

Chaldal has the capacity to deliver 5,000 orders per day in Dhaka.

If anyone puts in any order on Saturday, they will not get the delivery before Wednesday.

"We have sufficient supplies but the main challenge is making the deliveries."

Before the virus scare, each order on an average amounted to Tk 1,500. But now it had crossed Tk 3,000.

"People want huge quantities of essentials such as rice, eggs and hand sanitisers. In order to ensure equal distribution, we have decided not to deliver over two dozen eggs, 10 kilograms of rice and two hand sanitisers in a single order," Ashraf said, adding that Chaldal has already contacted suppliers and placed demands.

In its efforts to deal with the situation, Chaldal has started the process to appoint 200 delivery personnel and is going to buy 150 motorcycles as soon as possible.

The online grocery platform is also trying to go into partnerships with the delivery companies that have not been flooded with orders.

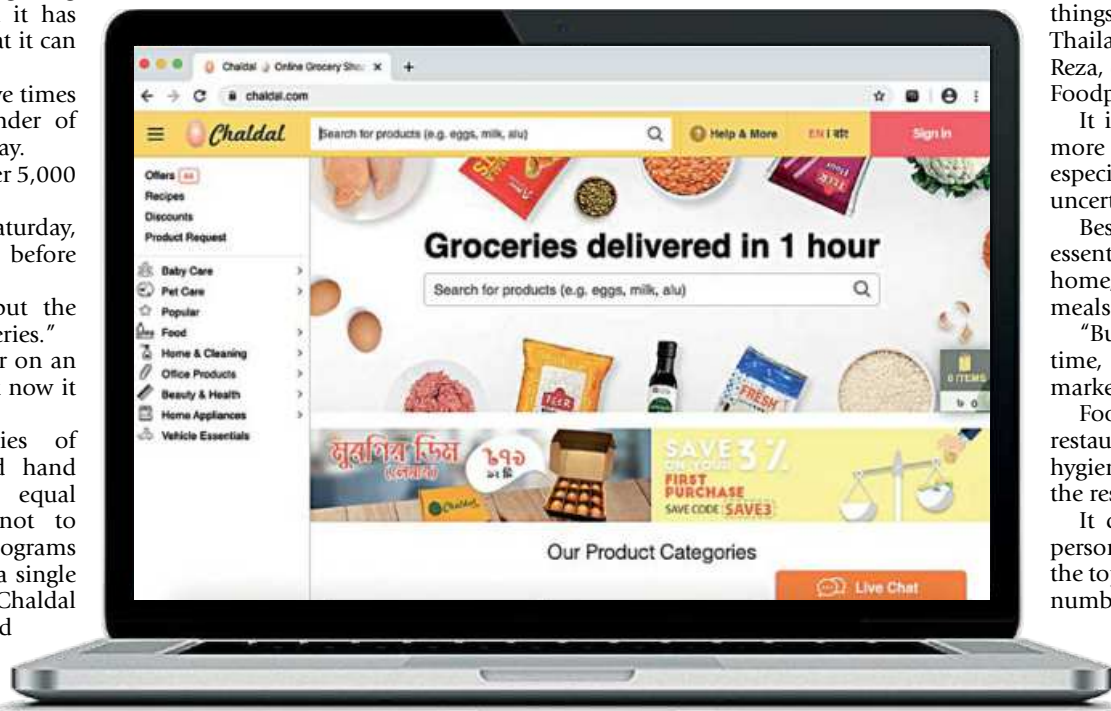
Chaldal is setting up more warehouses,

both permanent and makeshift, in the city because of the growing demand. It has suspended plans to expand business to other cities and is rather putting all its attention to Dhaka right now.

Shaheen Khan, chief executive officer of Meena Bazar, one of the largest supermarket chains in Bangladesh, which

more than double the average number of orders it caters to on a normal day, he said, without giving anything specifics.

It usually tries to deliver groceries right to the doorsteps of customers within two to three hours. But currently, this deadline is being missed for the huge backlog of orders.



also has an online store, echoed narrated a similar picture as Ashraf.

"We had anticipated such a situation and that is why we had taken preparations. But demand has very much exceeded all our estimates," Khan said.

Meena Bazar is making deliveries against

"We are also trying to explore partnerships and that will start working in the shortest possible time," he added.

While online groceries are passing busy times, the other e-commerce and food delivery companies are experiencing a decline in traffic.

Food delivery platform Foodpanda and e-commerce delivery company eCourier said the number of orders they get daily has faced a setback because of the coronavirus pandemic, which was quite the opposite in developed countries.

The number of daily orders in the Bangladesh, India and Pakistan markets had dropped by about 15 per cent but things were different in countries such as Thailand and Malaysia, said Ambareen Reza, co-founder and managing director of Foodpanda Bangladesh.

It is quite natural that people are now more conservative towards spending, especially in Dhaka, given the all-round uncertainty.

Besides, people have stocked up on essentials, and as most of them are at home, they are enjoying home-cooked meals more.

"But things will change within a short time, which also happened in other markets as well."

Foodpanda has been working with 8,000 restaurants and provided them security and hygiene kits from Monday to ensure that the restaurants are safe.

It currently has about 17,000 delivery personnel and their safety and hygiene are the top priority right now and not the order numbers, Reza added.

Biplob Ghosh Rahul, chief executive officer of eCourier, which delivers products for all the top e-commerce companies across the country, said they faced a setback in order numbers: it fell by about 20 per cent.

Earlier, fashion products, mobile phones and accessories topped the list of coveted products. But now, hygiene products like face masks and hand sanitisers had taken over.

READ MORE ON B3

Turnover plummets to five-year-low

STAR BUSINESS REPORT

Turnover on the stock market yesterday crashed to its lowest since December 11, 2014 amid a thin presence of buyers despite a regulatory move that aimed to forestall major slides seen a number of times in recent days.

An important indicator of the stock market, it dropped 66 per cent from last Wednesday to Tk 145 crore.

DSEX, the key index of the Dhaka Stock Exchange (DSE), yesterday fell 14.79 points, or 0.37 per cent, to end the day at 3,960, just a session after the regulator set the floor price of stocks at a level that is quite higher than the market demand.

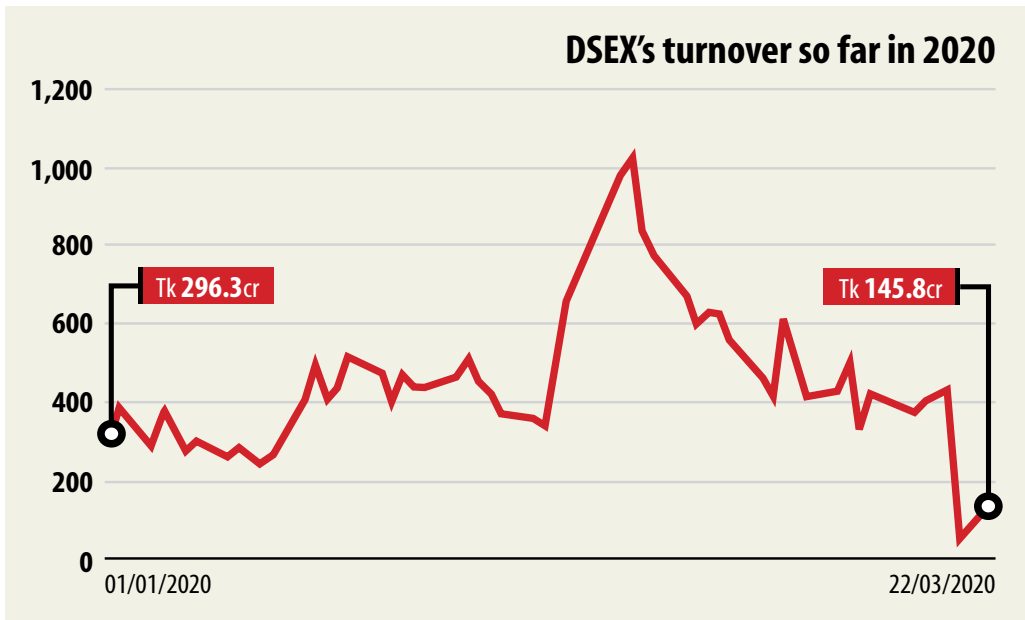
The Bangladesh Securities and Exchange Commission (BSEC) ordered the bourses to set the floor prices of stocks on the basis of the average prices of preceding five days, with a view to preventing the securities from sinking further.

In order to implement the order, the bourses had to delay the beginning of trading for three and a half hours on Thursday.

When trading finally began, albeit for half an hour, the market was abuzz with sellers but buyers refused to purchase the shares at the prices that were much higher than the market driven-price.

"It was assumed that the market will be illiquid," said a stock broker, preferring not to be named.

Individual investors fear that the coronavirus may reduce the earnings of the listed companies, so they are not interested to buy stocks at the current prices.



The companies' price-earnings ratio would rise in the coming days, meaning the stocks would be costlier than their return, he added.

Price-earnings ratio refers to the price of a stock compared to earnings.

The stock market has been witnessing its worst rout across the world, not just in Bangladesh, since the coronavirus became pandemic.

The Dow Jones Industrial Average, an index that measures the stock performance of 30 large companies listed on stock exchanges in the US, plummeted more than 31 per cent in the last one

month.

The S&P 500, which measures the stock performance of 500 large companies listed on stock exchanges in the US, lost 30 per cent, European Euro Stoxx 50 37 per cent, German's DAX index 37 per cent, Spain's Ibex 35 38 per cent and Japan's Nikkei 225 index 28 per cent.

"This is normal that a stock market would fall on the news of such a virus pandemic because it has a deep impact on the global economy and also rge listed companies," said a merchant banker.

READ MORE ON B3

Garment factories to stay open

STAR BUSINESS REPORT

Production units of garment factories are allowed to be kept open albeit with adequate safety measures against the spread of the novel coronavirus, reiterated the government yesterday.

The decision came at a tripartite meeting of union leaders, factory owners and government higher ups at Srama Bhaban in Dhaka with Begum Monnujan Sufian, state minister for labour and employment, in the chair.

The same decision was taken by the trio on Saturday.

Sufian in a statement said it is not yet time to shut the factories down; rather,

production units should stay open with adequate safety measures to protect workers from COVID-19.

"We have strengthened the safety measures for the workers to protect them from coronavirus," said Rubana Huq, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

The workers are being provided with masks. "Workers come first. And then us. Global scene is killing us. Without export, we will be facing tough uncertainties. We support 4.1 million people and their families. Pray so that we can continue doing that," Huq said in a WhatsApp message.

READ MORE ON B3

BB orders banks to implement alternate duty roster for staff

STAR BUSINESS REPORT

The central bank yesterday ordered banks to immediately introduce alternate duty roster for its workforce as it moved to prevent the financial system from becoming an agent of community transmission of the deadly coronavirus.

Banks have been asked to divide the workforce at least into two groups on the basis of their responsibilities. The groups will run the operations of the banks on a rostering basis every week, said the Bangladesh Bank in a notice.

The rostering would be designed in

a way that the arrangement does not stop customers from availing banking services.

"Tackling community transmission of the virus is the major challenge for a populous and densely populated country like Bangladesh," the BB said.

The banking sector is very sensitive when it comes to community transmission of the virus given the nature of services and activities of banks.

The orders came into effect immediately and will be in place until further notice, the BB said.

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