

TAMING CORONAVIRUS RAMPAGE

Managing business during and after pandemic

Stock brokers cry out for support

AHSAN HABIB

Abdul Mannan, a stock investor who maintains two beneficiary owner's accounts, has been incurring losses on all counts for the last six months as the stock indices were plunging new depths every day amid a fund crisis and a confidence deficit in the market.

On top of the heap of his woes, Mannan did not win a single lottery in the initial public offerings (IPO) in the last two years.

"My patience has exhausted," he said.

Mannan is one of the 10 lakh stock investors in the country who think at least a waiver of the BO account maintenance charge may bring them some respite at this crucial moment.

"The government should forfeit the fees for at least one year," he said.

DSEX, the benchmark index of the Dhaka Stock Exchange, sank to a six-year low of 3,603 points on March 18. The bourses have been shut since March 25 in line with the government-declared holidays to contain the spread of the coronavirus pandemic.

Many stockbrokers are also in peril as they have been counting huge losses due to the falling turnover in the market.

Against the backdrop, DSE Brokers' Association (DBA) has sought an incentive package from the government and sent a letter to the finance minister on Tuesday.

The Central Depository Bangladesh Ltd is a profitable company and it will not impacted much if it does not charge investors any fee for BO account maintenance for one year, said Sharif Anwar Hossain, president of the DBA. There are now 25.78 lakh BO accounts in the market.

The stockbrokers asked for a government fund to bear office expenses and pay employees' salaries. They expressed intention to pay back the money within two years with 3 per cent interest.

The DBA called for lowering advance income tax on share trading to 0.015 per cent from existing 0.05 per cent.

The stockbrokers also made an appeal to the government to allow the investment of undisclosed money in the stock market for three years.

Interest on margin loans should be waived for one year and stock investors should be provided loans at 3 per cent interest, the DBA said.



SAZZADUL HASSAN

It was a bolt from the blue! This pandemic has truly taken everybody to a surprise. The deadly germ didn't take much time to spread all across the globe after it originated in China in December last year. Around 3 million people living in more than 200 countries have been infected so far, out of which about 200,000 innocent lives were perished.

To the disbelief of many, countries which are known for having the best of the medical facilities, are also struggling to contain the notorious microorganism popularly known as COVID-19. The danger is, even after the four months of the outbreak, nobody really knows when the mankind will be able to win over the notorious enemy.

The World Health Organization (WHO) warned that this virus will be with us for a long time and therefore, we should be extremely careful and vigilant in managing this pandemic for the foreseeable future.

Given the dire situation, the immediate focus for everyone, including the businesses should be on saving lives. Business organisations should come forward to join hands with the government and other stakeholders to make sure there is enough testing facilities to isolate infected people and adequate treatment facilities for the diagnosed patients. They should also be thinking of how to collaborate with the concerned research organisations or academia to accelerate the research on inventing a vaccine, which will eradicate the virus for good from

this world.

While carrying out their corporate social responsibilities, corporations are also looking for the ways and means to get the wheel of their operations up and running. In this regard, the top most priority is to ensure safety of the employees who are the most valuable resources.

Over the last fifty years, the mindset of the businesses with regards to employees has changed quite radically. Businesses in the

world. We foster diversity and inclusion, dignity and respect."

Keeping this spirit in mind, amid unprecedented business disruption, a growing list of businesses have vowed to pay their employees, while their business operations are temporarily suspended. This is quite obvious that people are really worried about their future. Here comes the role of empathetic leaders to stand beside their employees.

To deal with this abnormal

dollars. However, if the pandemic continues for a longer period, the global GDP will fall by further 3 per cent from the baseline assumption.

Businesses are facing multiple challenges both from demand and supply perspectives. Consumer spending has certainly plunged significantly as they are fearful, saving for the crisis, can't go out for spending and in some cases, especially in the developing countries, a large portion of them

5R: Resolve, Resilience, Return, Reimagination and Reform to face the ongoing crisis.

Resolve: This refers to containment of the virus and its spread to safeguard lives and livelihoods. Business must ensure safety of their employees by taking measures like work from home. For business continuity, if someone needs to work outside, they will maintain proper safety guideline. In some cases, they should adopt online transaction, delivery at customers' doorstep etc. But first, stop the virus to spread.

Resilience: This health crisis is obviously leading towards a severe financial crisis. Organisations will suffer from cash crunch, shortages of working capital and ability to pay debt. To deal with these challenges business need to work with government and other stakeholders to ensure concessional financing, debt relief and even for grants.

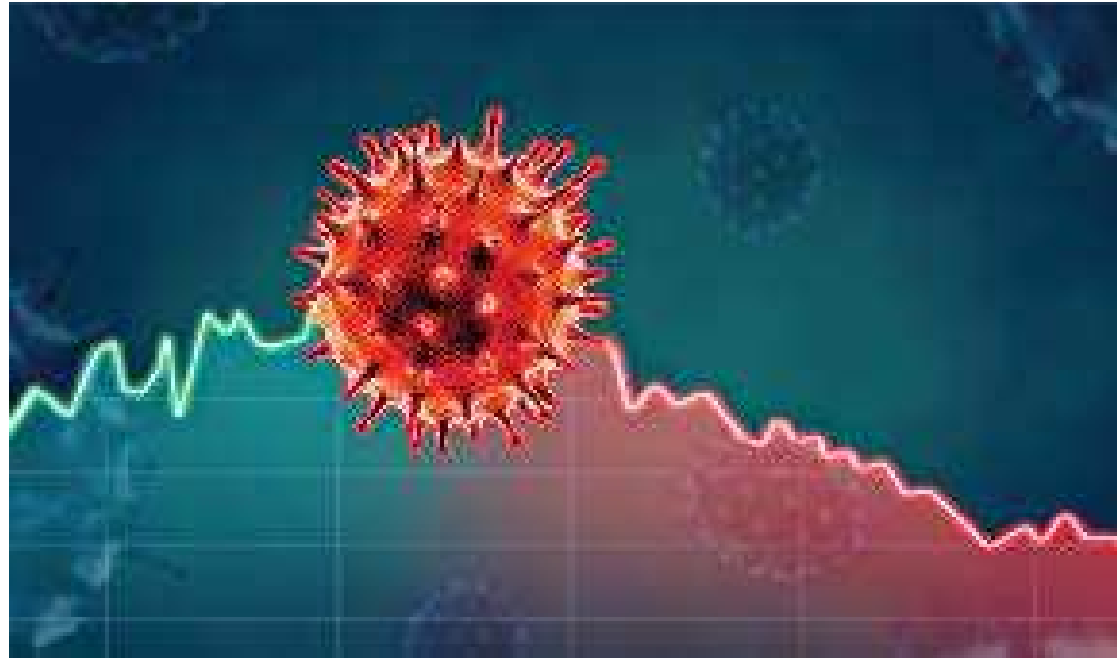
Return: As the situation gets better businesses should plan for resumption of their operations in phase manners. Trying to do everything together after a longer shutdown can create chaos.

Reimagination: The world will definitely be different post-pandemic. Expectations of the customers, employees and other stakeholders will be different. Organisations should carefully evaluate these shifts of the mindset and take appropriate actions. This will include use of technology, setting up plants and distribution centers closer to the customers etc.

Reform: It is not unlikely that in some cases organisations have to reform their policies, processes to survive. This can even be changing their existing business models.

Businesses would require lots of efforts and imagination to survive. Charles Darwin, the famous scientist of all times, said it loudly, "It is not the strongest or the most intelligent who will survive; It is the one that is most adaptable to change."

The writer is chairman and managing director of BASF Bangladesh Limited



1970s were religiously following a doctrine of Nobel laureate economist Milton Friedman. He said: "The business's sole purpose is to generate profits for shareholders."

However, we saw a stunning turnaround in 2019, when the CEOs of the world's largest corporations in a business roundtable declared, "We commit to investing in our employees. This starts with compensating them fairly and providing important benefits. It also includes supporting them through training and education that help develop new skills for a rapidly changing

and unprecedented situation, corporations should first assess the situation and its impact carefully. IMF Chief Economist Geeta Gopinath described the present crisis as worse than the great depression of 1930's and the financial crisis of 2008.

According to IMF's latest forecast, the global GDP will fall by 3 per cent in 2020. Assuming that the pandemic improves in the second half of the year, economic activities start to take momentum, the global economy will grow by 5.8 per cent in 2021. The cumulative economic loss of 2020-21 will be nearly 9 trillion

who rely on daily wages are simply out of pocket as they are unable to render their services.

On the other hand, because of lockdown in most of the countries, both primary supply chain, which deals with raw materials or intermediate goods, and the secondary supply chain, which deals with finished products, are facing enormous disruptions. All these challenges boil down to weaker revenue and increased cost.

So, what should the businesses do to face this challenging time?

Reputed consultancy firm McKinsey & Company has come up with a concept called

STOCKBROKERS' DEMANDS AT A GLANCE

- Need help with office expenses, salaries
- Funds will be returned in 2 years with 3% interest
- Lower advance income tax on share trading
- Undisclosed money parked in stocks for 3 years
- Reduced interest on margin loan for 1 year

Dhaka Elevated Expressway work will be in full swing once normalcy returns

JAGARAN CHAKMA

The investors of the 47-kilometre Dhaka Elevated Expressway are committed to completing the project as rapidly as possible as implementation had faced a setback due to the pandemic and a fund crisis, said AHMS Aktar, the project director.

The fund crisis has now been resolved as the partner of the project, Italian-Thai Development Public Company, has teamed up with two Chinese firms to complete the project on time, he said.

"The investors are keeping in close contact with me and preparing a plan on how to speed up work once the pandemic subsides."

The two Chinese companies already started disbursing Tk 7,318 crore, out of the Tk 8,940.18 crore of the construction cost of the project, from March, he said.

In exchange, Italian-Thai has handed over 49 per cent of its share to the Chinese companies -- China Shandong International Economic and Technical Corporation Group (34 per cent) and

Sino Hydro Corporation (15 per cent).

As per the revised deadline, the construction work of the first phase of the project -- Airport to Banani Rail Crossing -- will be completed by this October while the second phase -- from Banani Rail Crossing to Moghbazar -- will end by October next year.

The third and the final phase -- from Moghbazar to Kutubkhali on Dhaka-Chattogram Highway -- will be completed in October 2022.

Italian-Thai has finished installing more than 900 piles out of the 1,200 needed for the first section, Aktar said.

Construction of the much-talked-about project commenced formally on April 1, 2018. The main objective of this project is to bypass Dhaka in the fastest possible way, which would significantly reduce traffic load inside the capital.

Bangladesh Bridge Authority (BBA) had signed a deal with Italian-Thai in January 2011 to build the expressway, with 19.73km main line stretching from Shahjalal International Airport to Kutubkhali, under a public private partnership at a cost of Tk 8,703 crore.

The scheme faltered time and again over the years, mainly due to the failure of the private investor -- Italian-Thai -- to manage funds for the project, the government's delay in handing over the project, and problems related to land acquisition.

Amid uncertainty over funds, the BBA issued the work order to the private partner in March 2018.

Aktar said they have completed acquisition of necessary land and handed it over to the partners before the countrywide lockdown began due to the coronavirus pandemic.



SK ENAMUL HAQ

Banks call for stretching loan classification deadline to Dec 31

STAR BUSINESS REPORT

Banks have requested both the finance ministry and the central bank to extend the deadline for loan status classification to December 31 from June 30 as many borrowers are failing to pay instalments because of coronavirus-induced losses.

The businesses have been hit hard by the ongoing economic fallout, which drastically eroded their capacity to return loans on time, banks said during a virtual conference with Finance Minister AHM Mustafa Kamal yesterday.

On March 19, the central bank asked lenders not to consider businesspeople as defaulters if they fail to repay instalments until June 30 this year. Banks will have to maintain the same credit

status of a borrower as of January 30 until June 30.

Banks have also urged the central bank to consider establishing a credit risk guarantee scheme for the lenders to protect the loans given under the recently announced stimulus packages.

Kamal asked banks to keep defaulted loans in control as the road to economic recovery would be challenging.

He emphasised putting a lid on banks' operating cost and reducing cost-income ratio, citing the examples of neighboring countries.

"Lenders should cut down unnecessary expenditures during this period as well," he said. The central bank will provide all necessary policy support and guidance to keep the business

community and the banking sector running, said Fazle Kabir, governor of the Bangladesh Bank.

The financial health of banks is now most crucial to the recovery of the economy from the impact of the coronavirus pandemic as there is no alternative source to support and inject money into the economy, said Ali Reza Iftekhar, chairman of the Association of Bankers, Bangladesh.

The central bank's latest moves have helped banks manage funds efficiently despite higher withdrawal pressure on cash and a shrink in deposits in the aftermath of the coronavirus outbreak, he said.

He appreciated the central bank's move to cut repo rate by 75 basis points to 5.25 per cent from 6 per cent.

Government of the People's Republic of Bangladesh
Local Government Engineering Department
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Memo No. 46.02.1290.000.02.001.20-295 Date: 28/04/2020

Amendments/Corrigendum Notice No. 07/2019-20 (OTM)

It is notified to all concerned that, the following amendments/corrigendum notice have been made for the above due to unavoidable circumstances.

Sl. No.	Tender ID	Document last selling (date & time)		Closing & opening (date & time)	
		Original	Modified	Original	Modified
1	448218, 450379	20/04/2020 12:00pm	04/05/2020 12:00pm	20/04/2020 14:30pm	04/05/2020 14:30pm

All other terms & conditions of the Tender will remain unchanged.

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GD-774

Government of the People's Republic of Bangladesh
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Memo No. 22.01.7800.535.29.013.20.1278 Date: 28/04/2020

1st Corrigendum Notice for e-Tender

It is hereby notified to all concerned that the e-Tender ID No. 452002, 452039, 453202 vide Office Memo No. 22.01.7800.535.29.013.20.1230, Dated: 06/04/2020 have been amended as follows due to unavoidable circumstances.

Sl. No.	Tender/ Proposal ID No.	Invitation Reference No.	Brief description of works	As per Tender Notice				Amendments		
				Tender/ proposal publication date and time	Tender/ proposal last selling date and time	Tender/ proposal closing date and time	Tender/ proposal opening date and time	Tender/ proposal last selling date and time	Tender/ proposal closing date and time	Tender/ proposal opening date and time
1.	452002	PATUA/CFD/SUFAL/2019-20/ND-1	Construction of Boundary Wall at Mohipur Range, Kuakata Beat	06 April 2020 21:30pm	29 April 2020 14:00pm	30 April 2020 13:30pm	30 April 2020 13:30pm	27 May 2020 16:00pm	28 May 2020 15:00pm	28 May 2020 15:00pm
2.	452039	PATUA/CFD/SUFAL/2019-20/ND-2	Construction of Boundary Wall at SFPC, Kalapara	06 April 2020 22:30pm	29 April 2020 14:00pm	30 April 2020 14:30pm	30 April 2020 14:30pm	27 May 2020 16:00pm	28 May 2020 15:30pm	28 May 2020 15:30pm
3.	453202	PATUA/CFD/SUFAL/2019-20/ND-3	Construction of Boundary Wall at Mohipur Range Office	06 April 2020 23:00pm	29 April 2020 14:00pm	30 April 2020 15:00pm	30 April 2020 15:00pm	27 May 2020 16:00pm	28 May 2020 16:00pm	28 May 2020 16:00pm

All other terms and conditions will remain unchanged. This corrigendum notice will be treated as a part and parcel of the Tender Document.

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GD-779