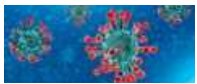


STOCKS		COMMODITIES		As of Friday		ASIAN MARKETS				CURRENCIES		STANDARD CHARTERED BANK			
DSEX	CSCX	Gold	Oil			MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY	BUY TK	SELL TK
1.30%	3.45%	\$1,726.30	\$37.84			32,424.10	21,877.89	2,510.75	2,852.35	83.95	92.16	102.73	11.63	84.95	95.96
4,060.44	10,320.00	(per ounce)	(per barrel)												



BUSINESS

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TAMING CORONAVIRUS RAMPAGE

Govt not going overboard with subsidy expenditure next fiscal year



REJAUL KARIM BYRON and MD FAZLUUR RAHMAN

That the subsidy expenditure would go up next fiscal year as the government scrambles to keep the pandemic-induced recession from undoing decades of progress in alleviating poverty and elevating its citizens into the middle-class -- was a given.

But it turns out the government is exercising restraint, increasing its spending by 17.91 per cent from current fiscal year to Tk 54,695 crore.

The amount would be about 10 per cent of the budget, which is in line with previous years' allocation.

The next fiscal year's subsidy budget would be mostly going towards taxpayer-funded spending for agriculture, food support for the poor and loans for large

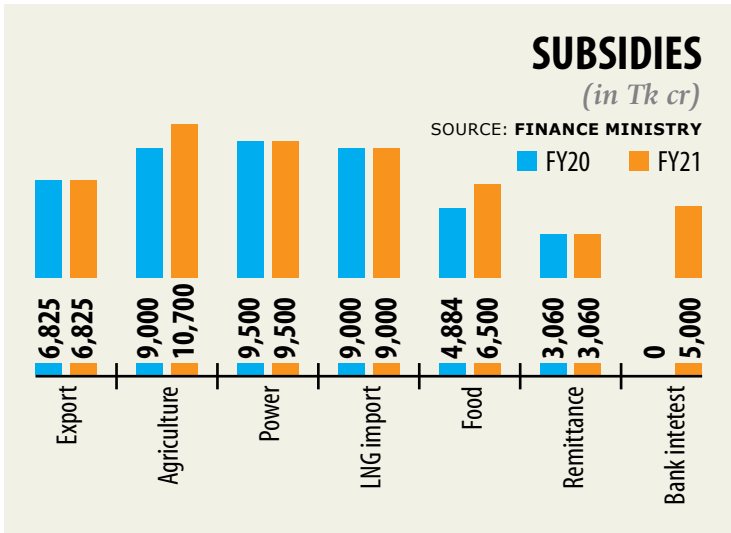
industries and SMEs.

The move to provide low-cost loans to pandemic-hit micro, small, medium and large entrepreneurs, farmers and exporters would increase the subsidy spending on interests to Tk 5,000 crore in the upcoming fiscal year. There has been no such allocation in the ongoing fiscal year.

The government would bear Tk 3,000 crore in interest rate subsidy on the loans going to pandemic-hit businesses and farmers.

Besides, the central bank has deferred interests on loans for May and June. About Tk 16,000 crore in interest was to be paid in the two months.

Now, the government would come up with Tk 2,000 crore in interest support and the



borrowers would repay the rest Tk 14,000 crore over 12 months in instalments.

The government has unveiled a stimulus package to provide Tk 30,000 crore in working capital to industries and service sector institutions impacted by the pandemic.

This will take the form of concessional

loans at an interest rate 9 per cent wherein, the borrower will meet 4.5 per cent of the interest while the government will absorb the rest as subsidy.

As a targeted measure to support enterprises, jobs and incomes, another stimulus package has earmarked Tk 20,000 crore as working capital for SMEs at an interest rate of 9 per cent.

Only 4 per cent of the agreed interest will be borne by the borrower, while the rest will be

borne by the government as a subsidy.

The government has increased the subsidy allocation for the agriculture sector, from Tk 9,500 crore in fiscal 2019-20 to Tk 10,700 crore in fiscal 2020-21 as it looks to accelerate farm production to keep prices stable in the local market.

Usually, agriculture subsidy spending hovers around Tk 6,000 crore every year and this may go up to Tk 7,000 crore this fiscal year.

Apart from paddy, the government plans to increase the production of other crops. There is also a plan to give a boost to farm mechanisation.

Despite the collapse in economic activities at home and abroad owing to the coronavirus pandemic, the government has kept the subsidy allocation for export, remittance, power and liquified natural gas (LNG) imports unchanged next fiscal year.

This is because the government hopes the impact of the pandemic peter out sometime next fiscal year and the economy would be back in the saddle.

READ MORE ON B2



Low-cost loans from stimulus packages not going like hot cakes

AKM ZAMIR UDDIN

Four banks have got approval from the central bank to give out Tk 1,044.90 under the stimulus package of Tk 30,000 crore for large industries and service sectors.

The banks -- Sonali, Rupali, EXIM and IFIC -- have given the fund to seven companies, according to data from the Bangladesh Bank.

Sonali Bank disbursed Tk 1,000 crore to Biman Bangladesh Airlines, Rupali Tk 4.50 crore to Universal Medical College and Tk 5.70 crore to Planet Resource.

EXIM Bank gave out Tk 30 to Arossha Janashakti and IFIC Tk 1.35 crore to Next Accessories, Tk 1.70 crore to Roni Neat Composite and Tk 1.5 crore to Neat Concern Printing.

Banks will be allowed to enjoy a portion of the fund of their disbursed loans from the central bank' refinance scheme of Tk 15,000 crore for large industries and service sector.

Sonali Bank, however, will not apply to the central bank for the refinance fund for the disbursed loans to Biman, said its managing director Ataur Rahman Prodhan.

The state-run lender is now scrutinising another 16 applications to get the prior approval from the central bank.

Banks will be allowed to get an interest subsidy of 4.50 per cent from the disbursed loans, which the end-users will get at 9 per cent.

PROGRESS ON GOVT'S STIMULUS PACKAGES

1.

Tk **30,000cr** for large industries and service sector
Refinance scheme under the package Tk **15,000cr**
4 banks have so far disbursed Tk **1,044.90cr**

2.

Tk **20,000cr** for SMEs
Refinance scheme under the package Tk **10,000cr**
33 banks, NBFLs signed deal with BB to use refinance scheme

3.

Tk **5,000cr** for agro-based businesses
41 banks signed deal with BB to use the fund

4.

Tk **3,000cr** for marginal farmers and businesses
24 banks inked deals with BB; **9** to follow suit

But lenders will have to wait a little longer to enjoy the funds from the refinance scheme of the package as their participation agreements with the central bank are yet to be signed.

A total of 46 banks and 23 non-bank financial institutions have so far applied to the central bank for the refinance fund.

But no lender has yet to disburse any loan under the stimulus package of Tk 20,000 crore for small and medium enterprises, a central bank official said.

He said that lenders had initially shown reluctance to use the stimulus package due to the lower interest rate.

The SME loan in the form of working capital will be given at 9 per cent interest rate. Of the interest rate, 4 per cent will be borne by the borrowers and 5 per cent by the government, according to one guideline.

But banks will not enjoy their desired profit from the stimulus package as they have to face more operational costs for SME credits than that of other loans.

Against the backdrop, the central bank declared on April 27 that it will provide half of the Tk 20,000 crore stimulus package for the sector.

This has encouraged banks to a great extent to provide loans to the SME sector, the BB official said.

READ MORE ON B2

Floor price weighing heavy on investors as trading finally resumes

AHSAN HABIB

Floor price was a buzzword at the Dhaka Stock Exchange (DSE) yesterday as it prevented many investors from selling shares even though trading resumed after a long break of more than two months.

The Bangladesh Securities and Exchange Commission (BSEC) set the floor price on March 19 for all stocks on the basis average price of last five days to stop the market fall amid the coronavirus pandemic.

It was an unprecedented move as no country in the world pulled a stunt like that to thwart the market from falling because they knew it was normal that the indexes would fall because of the pandemic. Already, many foreign investors criticised the BSEC move and now the local investors have

raised their voice.

"I could not sell my shares of ML Dyeing because of the floor price though I need to rearrange my portfolio," said Khorshed Alam, a stock investor.

"However, I am glad that trading has resumed," he added.

Now, the regulator should remove the floor price to make the market perfect though the index might fall initially, said Md Moniruzzaman, managing director of IDLC Investment.

The floor price has had a negative impact as investors can't sell their shares even at a lower price, the merchant banker pointed out.

"It made the market illiquid and created a negative image of our market."

The regulator should not impact the pricing of stocks and should rather ensure that

investors may trade without any problem, he added.

"People are optimistic about the new commission and many of them bought stocks," said M Rahmat Pasha, managing director of UCB Capital Management.

The floor price has indeed had some impact but at the same time, it gave some phycological relief.

"So, the floor price should be withdrawn gradually after witnessing how the market performs at least in the current week," he said.

This month, Shibli Rubayat-Ul-Islam was appointed as the chairman of the stock market regulator along with two professors from the University of

Dhaka as the commissioners.

"We don't want to do anything very fast but we do realise the impact of the floor price," Islam told The Daily Star yesterday.

The new commission is now working on it and is not too far from a solution.

"Now, we are observing how the solution will be implemented so that it works for the betterment of the capital market."

But people need to realise that once the floor price is lifted, there will be a huge negative impact on the index primarily, Islam added.

Meanwhile, DSEX, the benchmark index of the DSE, rose 52.15 points, or 1.3 per cent, to close at 4,060.44 on the first day of trading after it closed on March 25 in line with the government declared general holiday to stop the spread of the deadly coronavirus.

READ MORE ON B2

Up to Tk 20 lakh in interest rebate likely

AKM ZAMIR UDDIN

An individual borrower may get a maximum rebate of Tk 20 lakh from their total loan interest for the period of April and May, said a central bank official -- in what can be viewed as a stroke of good news for large borrowers.

Earlier on May 3, with the view to giving relief to borrowers from the economic onslaught from the pandemic, the central bank directed banks to transfer all interest accrued or to be accrued between April 1

and May 31 from all of their loans to an interest-free blocked account.

To facilitate banks to implement the move, Prime Minister Sheikh Hasina yesterday announced that the government will provide Tk 2,000 crore to banks as subsidy, reports UNB.

The prime minister said that the Tk 2,000 crore will be distributed among the 1.38 crore loan takers proportionately.

Now, if the central bank fixes a certain portion of the rebate for all borrowers the maximum rebate would come to Tk 20 lakh,

said a Bangladesh Bank official requesting anonymity to speak candidly on the matter.

The central bank is yet to work out the rebate percentage but the focus would be on parity, he said.

Against the backdrop, the central bank yesterday sent a letter to all banks asking them to inform how many borrowers are enjoying more than Tk 100 crore loans.

The latest government decision has brought great relief to both banks and borrowers as lenders earlier thought that they would have to bear the interest rebate

An EBL account can now be opened in just two minutes

The bank is the first to introduce e-KYC in Bangladesh

MAHMUDIUL HASAN

Eastern Bank (EBL) yesterday rolled out the electronic Know Your Customer (e-KYC) system to allow account-opening without filling in any documents, in a bid to help clients maintain the maximum level of social-distancing during the ongoing pandemic.

Thus, the bank became the first lender in Bangladesh to have introduced such service under the central bank's e-KYC guideline issued on January 9.

"This beautiful system is really a milestone for the banking sector as a



customer only needs 2 minutes and a single visit to a branch to open an account," Ali Reza Iftekhar, managing director and chief executive officer of EBL, told The Daily Star yesterday.

Previously, it would take 2-3 days. On the first day, customers opened 25-30 EBL Insta Accounts.

Instead of filling up a form consisting of several pages, a customer now needs to provide a signature by paying a quick visit to an EBL branch to open an account. They will have to bring their national identification card, photo of the nominee and a copy of utility bill as proof of the address.

READ MORE ON B2

Commercial production starts of another promising COVID-19 cure

JAGARAN CHAKMA

Local pharmaceuticals have started commercial production of an anti-flu and viral infection medication found effective in treating novel coronavirus patients by Combined Military Hospital (CMH) and Bangladesh Air Force (BAF).

Favipiravir was originally developed to treat influenza by Toyama Chemical, which was owned by Fujifilm, the Japanese photography company that now has sizable holdings in biomedicine.

The drug was marketed under the name Avigan, and in 2014, was approved in Japan for human use, according to an article in Time magazine.

Eskayef Pharmaceuticals, Beacon, Square, Beximco, Incepta, General, ACI, Opsonin, Acme, JMI, Orion Health, Veritas, Popular, Radiant and Renata have got the approval for the drug's commercial production from the Directorate General of Drug Administration (DGDA).

The DGDA received 4,000 tablets free of cost from Beacon Pharmaceuticals for trials on coronavirus patients in early April.

"We used Favipira to treat severe Covid-19 patients at Combined Military Hospital and got a positive result and we have not got side effects," said Azizul Islam, consultant physician general at the Bangladesh Armed Forces.

There is no specific prescribed

medicine in the world for treating COVID-19, he told a seminar on "Management of COVID patients of Bangladesh" organised by Beacon Pharmaceuticals at The Westin Dhaka on Thursday.

However, Favipira, the first generic Favipiravir brand manufactured by Beacon Pharmaceuticals, was found to be effective against COVID-19.

The CMH provided treatment to some 1,821 patients, of whom some 713 has recovered, he said. The death rate in Bangladesh is only 1.42 per cent while it is 5.82 per cent in the US, 2.86 per cent in India, 5.58 per cent in China and 14.29 per cent in Italy, Islam said.

READ MORE ON B2

StanChart
Bangladesh donates
\$1.6m for COVID-19
emergency relief

STAR BUSINESS DESK

Standard Chartered Bangladesh has contributed \$1.6 million to Red Cross and Unicef as part of the British bank's \$10 million pledge to support emergency relief activities in Asia and Africa by way of the two organisations.

"By working with these organisations, we are able to support the delivery of rapid and effective emergency relief that aims to address some of the key challenges created by the pandemic," said Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh.

The Red Cross and Red Crescent will support activities such as the provision of primary and secondary healthcare, communication of protection measures, provision of personal protection equipment for staff and volunteers, and the distribution of food and care packages.

Unicef will focus on activities such as the provision of remote education via television, radio, online and mobile platforms and child protection measures, including alternative care arrangements and family tracing services for children separated from their families due to coronavirus.

UK helps employers with slow phase-in of job shield costs

REUTERS, London

British finance minister Rishi Sunak offered fresh help to employers hammered by the coronavirus shutdown on Friday in the form of a gradual phase-in of contributions by them to the government's hugely expensive wage subsidy scheme.

The government has been paying since March 80 per cent of the wages of workers who are temporarily laid off, and who now total 8.4 million, to limit a surge in unemployment.

In August the companies will have to resume pension and social security payments, building up to 10 per cent of wage costs in September and 20 per cent in October, a lesser requirement than reported by media before the announcement.

Sunak also brought forward to July 1 the start of part-time work under the programme, a demand of businesses seeking to rebuild gradually. He extended another multi-billion-pound income scheme for self-employed workers as well.

"Now, as we begin to re-open our country and kickstart our economy, these schemes will adjust to ensure those who are able to work can do so, while remaining amongst the most generous in the world," he said.

Although common in other European countries, the income support schemes represented a big shift for the traditionally free-market Conservative Party when they were launched in March as the coronavirus crisis swept the world.

Len McCluskey, leader of the Unite trade union, welcomed Friday's changes but called for more help for the hardest-hit sectors such as aviation and hospitality.

"Without such assistance, and soon, many businesses will simply shut up shop, resulting in the mass unemployment the chancellor has sought to avoid these past two months," he said.

The cost of the two income programmes was now likely to shoot past 100 billion pounds (\$123 billion), the Institute for Fiscal Studies, a think tank, said, about as much as for the National Health Service over the same March-October period.

Sunak declined to say whether he would



REUTERS

Britain's Chancellor Rishi Sunak speaks at the daily COVID-19 briefing next to NHS Medical Director for England Professor Stephen Powis at 10 Downing Street in London, Britain on May 29.

bring forward his next budget statement, due in the autumn, to spell out how he will tackle Britain's surging debt.

One in three private sector employees are covered by the Coronavirus Job Retention Scheme, which has already cost the state about 15 billion pounds.

It is due to expire at the end of October and Sunak said on Friday it would close for new claims on June 30.

The Bank of England says the scheme could limit a rise in the unemployment rate to about 9 per cent, double its most recent reading but way below an estimated 20 per cent in the United States.

Under the plan, workers are receiving 80 per cent of their wages up to 2,500 pounds a month.

Some employers had warned they would not be able to pay 20 per cent of the wage costs of their furloughed staff from August - as reported

by media before Friday's announcement - raising the risk of a fresh surge in job losses.

The Resolution Foundation, a think tank, said even the limited contributions required from August were likely to lead to significant layoffs in the hospitality sector, in which an estimated 2 million employees are now furloughed.

Sunak said hardship lay ahead for many but the scheme was too expensive to continue indefinitely.

Britain's borrowing in April alone of over 60 billion pounds was equivalent to almost all of the previous financial year. It looks set to hit a towering 15 per cent of gross domestic product this year.

About 2.3 million claims totalling 6.8 billion pounds have been made under the income support scheme for self-employed people which was extended with a second, slightly smaller final grant available from August.

Managing stimulus packages and banking sector liquidity

FROM PAGE B4

Banks and financial institutions can also accumulate more funds for lending through in-house arrangements like using buffer stockholding for capital, barring dividend payments on last year's profit, reducing costs, particularly banning all capital expenditure and rationalising corporate social responsibility (CSR) expenditure.

At the end of June 2019, the capital conservation buffer (CCB) holding in addition to the minimum capital requirement stood at Tk 1,784.54 crore, which 1.74 per cent of total regulatory capital.

At the individual level, 31 banks have already fulfilled the CCB requirements.

These banks can use CCB as an additional source of funding.

The amount of their net profit after tax was Tk 4,040 crore in 2018 and Tk 9,501 crore in 2017.

A substantial portion of banks' profit is being distributed among shareholders as per the rules.

Banks may stop distributing any profit as dividend at least for the next two years so that this amount can be utilised as a further source of funds.

The capital expenditure of all banks was on an average Tk 9,600 crore in 2017, whereas this amount rose to Tk 15,800 crore in 2018.

Banks may incur this expenditure at a very minimum level only for most essential items and make use of this fund for lending purposes. The BB may insist on this and issue a notice in this respect.

Banks' spending on CSR soared in the last few years: the amount of CSR expenses was Tk 520.35 crore in fiscal 2018-19.

This participatory fund can be an additional source in the upcoming time.

If the crisis lingers, the short-term liquidity problem may turn into an insolvency problem for a few banks.

In the case of any bank or financial institution becoming insolvent, the regulator needs to think about the process of intervention ahead of time.

Finally, coordinated efforts are necessary among all regulators across the world to innovate and implement macro-prudential policies suitable to deal with the possible future financial predicament.

The writer is a professor and director of research, development and consultancy at the Bangladesh Institute of Bank Management

Calls for anti-dumping duty on Indian yarn grow louder

FROM PAGE B4

Bangladesh has been enjoying duty-free trade benefit to Indian markets from 2011 under the South Asian Free Trade Area (SAFTA).

Under the SAFTA, Bangladesh enjoys zero-duty benefits on the export of all goods -- including apparel products -- except 25 alcoholic and beverage items.

In fiscal 2017-18 and 2018-19, Bangladesh exported \$566 million worth of garment items to India and imported \$7.74 billion worth of textile-related items, including raw cotton, cotton yarn, fabrics and textiles, according to Khokon.

Reconditioned vehicle sellers seek Tk 500cr loan from stimulus package

FROM PAGE B4

Barvida also requested the port authorities to reduce the rent for space at the yards from April to December, stating that otherwise, the sector would face severe losses.

The association also requested the National Board of Revenue to halt the auctions for unclaimed vehicles at ports for the period.

Mohammed Shahidul Islam, Barvida secretary general, and SM Anwar Sadat, vice-president, joined the press conference.

Govt not going overboard with subsidy expenditure next fiscal year

FROM PAGE B1

The finance division has estimated that the economy would grow by 5.5 per cent this fiscal year despite the devastating impact of the coronavirus pandemic and 8.3 per cent next fiscal year.

The World Bank has projected that the country's GDP growth would be between 2 and 3 per cent this fiscal year, in a stunning decline from the 8.15 per cent logged in last fiscal year and between 1.2 per cent and 2.9 per cent next fiscal year.

Exports subsidy stands at Tk 6,825 crore, remittance subsidy Tk 3,060 crore, power sector subsidy Tk 9,500 crore and LNG import subsidy Tk 9,000 crore.

The subsidy spending for providing low-cost loans as well as food has been increased to Tk 6,500 crore from Tk 4,882 crore as the country's expenditure to feed the poor has increased sharply because of the coronavirus-induced shutdown, which has put a brake on the economic activities leaving people with now work.

Under the Food-Friendly Programme, 50 lakh families can buy 30kg rice a month for Tk 10 a kg. The open market sale programme helps

about 13 lakh people in urban and semi-urban areas.

Due to the income shock emanating from the pandemic, 77.2 per cent of the vulnerable non-poor fell below the poverty line, according to a joint study of the Power and Participation Research Centre and the Brac Institute for Governance and Development.

This would imply that beyond the 20.5 per cent of the population officially recognised as poor there is a group of 'new poor' representing an additional 22.9 per cent of the population that needed to be brought within the discussion on poverty.

"The Tk 54,695 crore subsidy is not a small amount. So, we have to think about this expenditure. We can't allocate these resources inefficiently," said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, a think-tank.

He, however, backed the increase in the subsidies for agriculture, food and low-cost loans, calling them timely.

The Tk 5,000 crore interest rate subsidy extended to businesses and industries aiming at economic recovery is desirable although the amount is small, he said.

"But the subsidy going to the power

sector is not coming down. Most of the spending in this category is being used for capacity payment, meaning the government is paying although the power plants are not supplying the electricity. We have to give attention to this area."

There is no question about the increase in food subsidy as the government would have to expand the open market sales to feed the people, said Mansur, a former economist of the International Monetary Fund.

The subsidy geared towards farm mechanisation would be good for the country. "This should be done ensuring competitive process instead of sourcing equipment and machinery from one or two companies."

The price of fertiliser has gone down internationally and the use of fertiliser is not increasing in Bangladesh as farmland is not expanding. So, this subsidy should go down, the economist said.

According to Mansur, remittance and export subsidies are unnecessary and these could be extended by depreciating the exchange rate.

"This would have been good for all exporters, while the government would have got rid of administrative processes and costs."

Low-cost loans from stimulus packages not going like hot cakes

FROM PAGE B1

A total of 33 banks and NBFIs have so far signed participation agreements with the BB to use the refinancing fund.

The BB official hopes banks will take initiative to disburse the loans within the shortest possible time.

The central bank does not know anything yet on whether the lenders have disbursed any fund under the refinancing scheme of Tk 5,000 crore for agro-based small and medium businesses.

Banks will have to inform the central bank within the first week of this month to this end. No fund has yet to be disbursed from another refinancing scheme of Tk 3,000 crore for the marginal businesses and farmers.

But banks are now taking preparation to give out loans under the stimulus package as 24 lenders have already signed agreements with the central bank to use the fund, said another central bank official.

Some nine banks have also applied for the fund.

"We think that the whole process will be completed soon and both the marginal and deprived businesses will get loans in the quickest

possible time," the BB official said.

But banks said borrowers are still less enthusiastic about taking loans at this moment to run their businesses.

Sonali Bank MD Ataur Rahman Prodhon said his bank had not got expected response from borrowers for funds from the stimulus packages.

"Businesses are now playing a wait-and-watch game," said Syed Mahbubur Rahman, managing director of Mutual Trust Bank.

The lender has so far received only 30-35 applications for loans from stimulus packages, he said.

"The economy has just reopened. And this will play a role in helping borrowers decide on whether to take loans or not," said Rahman, also the immediate past chairman of the Association of Bankers, Bangladesh, a forum of managing directors of banks.

He, however, said banks are ready to sanction loans and forward the applications to the central bank. Shah Md Moinuddin, deputy managing director of IFIC Bank, echoed the same.

The bank has got only 5-6 applications from borrowers.

NTT DoCoMo poured \$350m in Bangladesh. But it is now leaving empty-handed.

FROM PAGE B4

If a company invests in any country and does not see the expected return, it can exit the country. This is an international practice. The same has happened in case of NTT DoCoMo, he said yesterday.

"There is nothing to be worried and it would not impact the flow of foreign investment to Bangladesh," he said, adding that the Japanese company did not raise any complaint with the BIDA about any policy.

The BTRC says the departure of DoCoMo would not affect Bangladesh's 5G ambition.

"Bangladesh is a huge market and all the top global players are running their business here. You will never find so many customers in a very small cell like Bangladesh," Haque said.

After securing the DoCoMo's stake, Bharti would hold 31.33 per cent stake in Robi. Kula Lumpur-based Axiata retains the controlling stake of 68.95 per cent.

Cambodia bourse sees first bank listing

AFF, Phnom Penh

Cambodia's largest commercial bank listed on the country's stock market on May 25, the first lender to trade on the fledgling exchange, despite uncertainty caused by the coronavirus pandemic.

Acleda Bank became the sixth firm to join the Cambodia Securities Exchange (CSX), which opened in 2011, joining a garment factory, two state-owned ports, and a special economic zone. But initial fanfare for the kingdom's trading future has dimmed, with the country's lack of financial literacy and a dearth of eligible companies being major obstacles.

An EBL account can now be opened in just two minutes

FROM PAGE B1

Once the willing customers are at the bank, a photo of him/her will be taken immediately and information will be uploaded on the bank's "Insta banking app". The customer will have to give a signature on a printed page.

The new service would reduce the health risk for customers and the bank's employees at a time when social-distancing is a priority, said Ziaul Karim, head of communication and external affairs of EBL, which is using the face-matching technology for identifying customers' authenticity with the NID card.

The option of visiting a branch is a temporary requirement for a customer who wants to open the account.

"Within a few months, such accounts can be opened from the home of the customers," Karim added.

Currently, the service can be availed by new customers only. For now, monthly transaction (withdrawal/deposit) will be limited to Tk 1 lakh.

EBL Insta Account comes in both current and savings variant and is available at all EBL branches. A debit card as well as free cheque book will be couriered to the account holder.

The central bank issued the e-KYC guideline on account opening on January 9.

Although the digitalisation enables easy access to financial service from remote locations, it may pose some underlying risks of money laundering and terrorism financing.

So, the central bank and the Bangladesh Financial Intelligence Unit (BFIU) worked for a long time with many government agencies and institutions to introduce the guideline, said an executive director of the central bank.

A nationwide pilot programme for e-KYC was completed with 18 banks and one mobile financial service provider.

The data provided by the institutions showed that the e-KYC can save time.

The BFIU expects every financial institution to implement the guideline by December to enhance service capacity in order to reduce cost and time and achieve steady business growth.

Floor price weighing heavy on investors as trading finally resumes

FROM PAGE B1

Investors are, however, cautious about the upcoming earnings declaration of listed firms, according to Pasha.

"The earnings may fall because the firms have not been able to do business in the last two and a half months."

As the performance of the listed firms has been affected by the pandemic, dividends would also receive a blow, said a top broker.

"Investors know about it and some of them will try to sell their shares."

The index will fall if the floor price does not continue. However, the fall will create an opportunity for some to park money in lucrative stocks as they know the index would move up when the pandemic peters out, the broker added.

Several stocks were not traded yesterday due to the lack of buyers as they think these stocks deserve fall more. But that did not happen because of the floor price, said the broker.

On the DSE, 60 stocks advanced, 68 declined and 195 were unchanged yesterday. Turnover, an important indicator of the stock market, dropped 59 per cent to Tk 148 crore.

Beximco topped the gainers' list as it advanced 10 per cent, followed by Prime Finance 1st Mutual Fund, ACI, Central Pharmaceuticals and ACI Formulations.

AB Bank was the top loser shedding 10 per cent, followed by Standard Bank, Altex Industries, Premier Bank and Exim Bank.

Square Pharmaceuticals was the most traded stock, followed by Beximco Pharmaceuticals, Grameenphone, Orion Pharmaceuticals and Beximco.

The port city bourse also observed an upward trend. The broader CSEX index rose 92.25 points, or 1.34 per cent, to 6,952.12.

Commercial production starts of another promising COVID-19 cure

FROM PAGE B1

Moreover, the condition of only 2.64 per cent of patients here turned critical, he said.

"We used the Favipira for only moderate to severe patients. Among them who had no chronic and other diseases like diabetics, cancer, liver problem recovered within seven days. In my study, I found that Favipira shows efficacy in 91.6 per cent of patients," Islam said.

BAF physicians applied Favipira at their temporary hospital at BAF Shaheen College Kurmitola for 29 critical patients and of them, 28 recovered, said Md Abdur Nur.

Eskayef Pharmaceuticals has started distributing Favipiravir under the brand name Favipir, Mohammad Mujahidul Islam, director for marketing and sales, told The Daily Star.

"The good news for us is that the necessary drugs for COVID-19 patients' treatment are available in Bangladesh at this moment," he said.

Beacon Pharmaceuticals started commercial production from the first week of April, Monjurul Alam, global business director, told The Daily Star.

Bangladesh Medicine Society along with CRO IDESHI is conducting a clinical trial on patients, the trial protocol of which is approved by Bangladesh Medical Research Council

and the DGDA, he said.

The company has already received orders from different countries, including those in Latin America and East Europe. "We have adequate capacity to meet the country's own demand and can also export to all over the world," he added.

However, the medicine is now available in all of their 23 depots throughout Bangladesh.

About the price, Alam said each 200mg tablet would cost Tk 400 and one patient needed roughly 60 to 70 tablets.

Beximco has been producing the medicine in name of VIRAFULU and providing supplies to the DGDA for use, said Rabbur Reza, chief operating officer.

The company will not supply Favipiravir to pharmacies as the general public will needlessly stockpile it, he said.

Beximco is getting queries from other countries but an export order is yet to come, he said.

Renata will go for commercial production within a couple of weeks as demand has been created due to the rise of patient numbers, said Monowarul Islam, general manager.

"We are already prepared to go into production to help the government make the drug available for coronavirus patients," he said.

US firms in Hong Kong awake to ‘sad day’ as Trump vows to curb economic ties

REUTERS, Hong Kong

The American Chamber of Commerce in Hong Kong said on Saturday it was “a sad day” for the global financial centre, hours after US President Donald Trump moved toward stripping the city of its special treatment in a bid to punish China.

In some of his toughest rhetoric yet, Trump said Beijing had broken its word over Hong Kong’s high degree of autonomy by proposing new national security legislation and the territory no longer warranted U.S. economic privileges.

“We will take action to revoke Hong Kong’s preferential treatment as a separate customs and travel territory from the rest of China,” Trump said, adding that Washington would also impose sanctions on individuals seen as responsible for “smothering - absolutely smothering - Hong Kong’s freedom.” Trump told reporters at the White House that China’s move on Hong Kong was a tragedy for the world, but he gave no timetable for the moves, leaving Hong Kong residents, businesses and officials to ponder just how far his administration will go. “This is an emotional moment for Americans in Hong Kong and it will take companies and families a while to digest the ramifications,” AmCham President Tara Joseph said in a statement.

“Many of us ... have deep ties to this city and with Hong Kong people. We love Hong Kong and it’s a sad day,” she said, adding the chamber would continue to work with its members to maintain Hong Kong’s status as a vital business centre.

China’s parliament this week approved a decision to create laws for Hong Kong to curb secession, terrorism and foreign interference. Mainland security and intelligence agents may be stationed in the city for the first time - moves critics say put the city’s extensive freedoms at risk.

Authorities in Beijing and Hong Kong insist the legislation will target only a small



REUTERS

US President Donald Trump makes an announcement about US trade relations with China and Hong Kong in the Rose Garden of the White House in the US on May 29.

number of “troublemakers” who threaten China’s national security. They say such action is urgently needed after months of sometimes violent anti-government protests rocked the city last year.

Protests movements are simmering again as Hong Kong emerges from its coronavirus shutdown. Demonstrators are expected to take to the streets on Sunday.

Trump did not name any sanctions targets but said the announcement would “affect the full range of agreements we have with Hong Kong,” including the U.S.-Hong Kong extradition treaty to export controls on dual-use technologies and more “with few exceptions”.

China’s Global Times, published by the People’s Daily, the official newspaper of China’s ruling Communist Party, said Trump’s decision was a “recklessly arbitrary” step.

The Hong Kong government - which has a long history of working ties with U.S. counterparts, distinct from Beijing - has yet to respond, although it warned on Thursday the

move could be a double-edged sword.

More than 1,300 U.S. firms have offices in Hong Kong and provide about 100,000 jobs. In the past decade, the U.S. trade surplus with Hong Kong has been the biggest among all its trading partners, totalling \$297 billion from 2009 to 2018.

Washington has also worked quietly with Hong Kong on anti-terrorist and money-laundering efforts, and U.S. envoys have long valued Hong Kong’s separate membership in some large international economic organisations.

“Hong Kong is an articulate champion of free markets and effective champion of free markets and the reduction of trade barriers,” according to a fact sheet on the U.S. Consulate’s website.

Britain, meanwhile, is prepared to offer extended visa rights and a pathway to citizenship for almost 3 million Hong Kong residents in response to China’s push to impose national security legislation in the former British colony.

Malaysia, Singapore defer high-speed rail project

REUTERS, Kuala Lumpur

Malaysia and neighbouring Singapore said on Sunday they had agreed to suspend until Dec. 31 a high-speed rail (HSR) project between Malaysia’s capital, Kuala Lumpur, and the city-state, to allow discussion of changes.

Analysts estimate the project, first announced by both nations in 2013, will cost about \$17 billion, though the two have tried to renegotiate the terms of an initial pact.

“The government of Malaysia and the government of Singapore have agreed to resume discussions on the Kuala Lumpur-Singapore high speed rail infrastructure project in the near future,” said Mohamed Azmin Ali, Malaysia’s minister of international trade and industry.

“The discussions will encompass some of the proposed changes in the commercial and technical aspects of the project,” he said in a statement.

Singapore’s transport ministry said in a separate statement that it had agreed to a “final extension” and that it looked forward to receiving Malaysia’s formal proposal on the changes soon.

Singapore’s transport minister Khaw Boon Wan said in a Facebook post on Sunday that the extension should provide sufficient time for Malaysia to clarify its proposal and for both sides to assess the implications of the proposed changes.

China factory activity slows as global slump drags on growth

AFP, Beijing

Factory activity in China expanded at a slower pace in May as the country attempts to get back on track after the coronavirus, official data showed Sunday, with the global economic slump making the sector’s recovery difficult.

China’s factories have stirred back to life after the lifting of strict lockdown measures imposed when the deadly virus surfaced in the central city of Wuhan, but its spread worldwide has dragged down key foreign markets - weighing heavily on Chinese exports.

The Purchasing Managers’ Index (PMI), a key gauge of activity in China’s factories, was at 50.6 points in May, remaining above the 50-point mark separating growth from contraction each month.

But the figure was down slightly from 50.8 the month before, and 52.0 in March, according to the National Bureau of Statistics (NBS).

NBS senior statistician Zhao Qinghe pointed to weakness in China’s imports and exports, saying “the epidemic situation and economic situation globally remain severe and complex, and foreign market demand is still shrinking”.

Zhao said indexes on new export orders and imports remained at relatively low levels.



AFP/FILE

Workers assemble toys at the Mendiss toy factory in Shantou, southern China’s Guangdong province.

The “momentum of economic recovery is steady and improving”, Zhao added, but there is weakness in some industries such as textiles and apparel.

Non-manufacturing PMI was at 53.6 in May, a slight increase from the month before, with the NBS flagging that the construction and service industries are showing signs of recovery.

Business activity in the cultural, sports and entertainment industry, however, remains low with many entertainment venues still closed amid fears of a second wave of COVID-19 infections.

Nomura analysts said in a report this week that “with economic growth in the major economies of Europe and the Americas set to drop by around 15 percent year-on-year in the second quarter, China’s exports seem poised to fall”.

They added that even with exports of coronavirus-related medical supplies providing a boost in recent weeks, this is not likely to offset external challenges.

It is also likely to be “unsustainable” as new cases peak and more countries ramp up their own production of goods, they said.

Economists flagged concerns around employment, with UOB head of research Suan Teck Kin noting the employment index for both manufacturing and services were below 50.

He said there is a “need to watch on that, especially with China’s official job creation number adjusted downward quite significantly this year”.

Premier Li Keqiang’s annual work report this year at the National People’s Congress made stabilising employment a top priority, targeting new urban employment of over nine million -- a drop from 11 million targeted in 2019 -- following the pandemic hit.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

বাংলাদেশ পুলিশ

আডিশনাল ইন্সপেক্টর জেনারেল এর কার্যালয়

ইন্ডাস্ট্রিয়াল পুলিশ হেডকোয়ার্টার্স

সেক্টর-১০, রোড-১৩, বাড়ী-০৭, উত্তরা, ঢাকা

মুজিববর্ষের অঙ্গিকার
পুলিশ হবে জনতার

স্মারক নং-ইডাঃ পুঃ হেডকোঃ/(সরবরাহ-টেক্সট)০১/২০২০-২১/১৭৩৮

তারিখঃ ৩১/০৫/২০২০খ্রিঃ

দরপত্র বিজ্ঞপ্তি

এতদ্বারা “পাবলিক প্রকিউরমেন্ট আইন-২০০৬” ও “পাবলিক প্রকিউরমেন্ট বিধিমালা-২০০৬” তদীয় সংশোধিত-২০১০ এর বিধি মোতাবেক ইন্ডাস্ট্রিয়াল পুলিশ হেডকোয়ার্টার্স, উত্তরা, ঢাকা ২০২০-২০২১ অর্থ বছরের ১ম ও ২য় কোয়ার্টারের (জুলাই/২০২০ হতে ডিসেম্বর/২০২০খ্রিঃ পর্যন্ত) রেশন সামগ্রী এবং বাৎসরিক অন্যান্য সামগ্রী ক্রয়ের জন্য অভিজ্ঞ প্রকিউরমেন্ট/সরবরাহকারীর নিকট হতে নিম্ন প্রকিউরমেন্টের প্যানেল সীলমোহরকৃত, মুদ্রাবদ্ধ খাদ্য প্রতিযোগিতামূলক উন্মুক্ত দরপত্র আহ্বান করা যাচ্ছে।





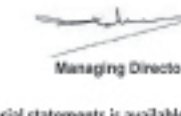
১.	মন্ত্রণালয়/বিভাগ	১	শ্রমিক মন্ত্রণালয়, অনসিদ্ধাপল্লী বিধান।
২.	সহকারী সচিবের নাম	২	বাংলাদেশ পুলিশ, ইন্ডাস্ট্রিয়াল পুলিশ হেডকোয়ার্টার্স, উত্তরা, ঢাকা।
৩.	দরপত্র আহ্বানকারীর নাম, পদবী ও ঠিকানা	৩	আডিশনাল ইন্সপেক্টর জেনারেল এর কার্যালয়, ইডাঃ পুঃ হেডঃ বাড়ী-০৭, রোড-১৩, সেক্টর-১০, উত্তরা, ঢাকা।
৪.	অর্থের উৎস	৪	জিওবি।
৫.	দরপত্র প্যাকেজ নাম্বার	৫	০১/২০২০-২০২১ অর্থবছর।
৬.	দরপত্র আহ্বানের “স্মারক নাম্বার ও তারিখ”	৬	স্মারক নং-ইডাঃ পুঃ হেডঃ (সরবরাহ-টেক্সট) ০১/২০২০-২১/১৭৩৮ তারিখ ৩১/০৫/২০২০খ্রিঃ
৭.	দরপত্রের পদ্ধতি	৭	উন্মুক্ত দরপত্র পদ্ধতি (OTM)
৮.	দরপত্র পরিচয় প্রকাশের সন্ধ্যা তারিখ	৮	০১/০৬/২০২০খ্রিঃ
৯.	দরপত্র তফসিল বিক্রয়ের সর্বশেষ তারিখ	৯	১৭/০৬/২০২০খ্রিঃ তারিখ অবধি ঢাকাস্থানীয় সময় পর্যন্ত (সরকারি ছুটি ব্যতিত)।
১০.	দরপত্র তফসিল জমা প্রদানের সর্বশেষ তারিখ ও সময়	১০	১৮/০৬/২০২০খ্রিঃ ১২.০০ ঘটিকা।
১১.	দরপত্র তফসিল খোলার তারিখ ও সময়	১১	১৮/০৬/২০২০খ্রিঃ ১২.০০ ঘটিকা।
১২.	দরপত্র তফসিল মুদ্রাণের তারিখ ও সময়	১২	২০/০৬/২০২০খ্রিঃ ১১.০০ ঘটিকা।
১৩.	দরপত্র তফসিল খোলার অফিসের নাম ও ঠিকানা	১৩	আডিশনাল ইন্সপেক্টর জেনারেল এর কার্যালয়, ইডাঃ পুঃ হেডঃ বাড়ী-০৭, রোড-১৩, সেক্টর-১০, উত্তরা, ঢাকা।
	দরপত্র তফসিল বিক্রয়ের স্থান		আডিশনাল ইন্সপেক্টর জেনারেল এর কার্যালয়, ইডাঃ পুঃ হেডঃ বাড়ী-০৭, রোড-১৩, সেক্টর-১০, উত্তরা, ঢাকা।
	দরপত্র তফসিল গ্রহণকারী অফিস		আডিশনাল ইন্সপেক্টর জেনারেল এর কার্যালয়, ইডাঃ পুঃ হেডঃ বাড়ী-০৭, রোড-১৩, সেক্টর-১০, উত্তরা, ঢাকা।
১৪.	দরপত্রসম্পর্কিত যোগ্যতা	১৪	(ক) অ.স. প্রতিষ্ঠানের হাসানাবাদ বৈব ট্রেন লাইসেন্স, হাসানাবাদ পরিবেশিত টিউবইল নাম্বার সহ অ্যাক্সেস সনমপত্র, জাট প্রেসিডেন্সিয়াল সনমপত্র, ব্যাক সলভেন্টী ও সলভার ন্যাবিলের পূর্ববর্তী হয় মাসের ব্যাক সলভেন্টী এবং সলভেন্ট সলভার অ্যাক্সেস সনমপত্র থাকতে হবে। (খ) বাংলাদেশের স্থায়ী বাসিন্দা হিসেবে শারীরিক সনমপত্র, আইডি পরিচয়পত্র, ০১ (এক) কপি পাসপোর্ট সাইজের সন্ধ্যায়িত ছবি সহকারে বাসিন্দা করিতে হবে এবং (গ) দরপত্র তফসিলের উল্লিখিত অন্যান্য শর্তাঙ্গীত আদায়ক।

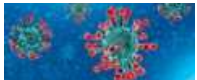
ক্রম নং	আইটেম	১	পরিমাণ	সিডিউলের দ্বারা (অফিসের মধ্যস্থতা)	নিয়ন্ত্রণের জামানত	কার্য সম্পাদনের সময়/মোদন
১.	স্যানিটর তেল ক্যানোহ (জিটামি-এ কলিকাতা এবং বিএসআইবি অনুমোদিত)	১	৭০০/-	২০,০০০/-	২০২০-২১ অর্থবছরের ১ম ও ২য় কোয়ার্টার (জুলাই-ডিসেম্বর/২০২০)	
২.	মসুর তেল (হোটেল মান ও নুনা মোতাবেক)	২	৭০০/-	২০,০০০/-	ই	
৩.	জ্বালানী কঠ (তরুন চেঞ্জি করা)	৩	৫০০/-	৫,০০০/-	ই	
৪.	তুলি/সেবার সরবরাহ	৪	৫০০/-	৫,০০০/-	ই	
৫.	পেট্রোল ও এর চাল (দ্রুতমান)	৫	৫০০/-	৫,০০০/-	ই	
৬.	গাম পেপার (জিটামি) করে আসি সরবরাহ	৬	৭০০/-	২০,০০০/-	ই	
৭.	বাগি ডাউন/প্রকিউর করা নিলামে বিক্রয়	৭	৫০০/-	৫,০০০/-	ই	
৮.	টেক্সটাইল পণ্য সরবরাহ	৮	৫০০/-	৫,০০০/-	২০২০-২০২১ অর্থবছর	
৯.	খোলাপালা সামগ্রী সরবরাহ	৯	৫০০/-	৫,০০০/-	২০২০-২০২১ অর্থবছর	
১০.	অসম্পাদিত সরবরাহ	১০	৫০০/-	৫,০০০/-	২০২০-২০২১ অর্থবছর	
১১.	বিজ্ঞাপন কাগজের গ্রায়েনামা পণ্য সরবরাহ	১১	৫০০/-	৫,০০০/-	২০২০-২০২১ অর্থবছর	
১২.	বস্ত্রপাতি ও অন্যান্য সরঞ্জাম সরবরাহ	১২	৫০০/-	৫,০০০/-	২০২০-২০২১ অর্থবছর	
১৩.	কম্পিউটার সামগ্রী, কম্পিঃ ও যন্ত্রাংশ সরবরাহ	১৩	৫০০/-	৫,০০০/-	২০২০-২০২১ অর্থবছর	
১৪.	কম্পিউটার এবং যন্ত্রপাতি ও সরঞ্জাম মেসারিস	১৪	৫০০/-	১০,০০০/-	২০২০-২০২১ অর্থবছর	
১৫.	মেরিয়ারের স্ট্যান্ডার্ড ও যন্ত্রাংশ সরবরাহ	১৫	৫০০/-	৫,০০০/-	২০২০-২০২১ অর্থবছর	
১৬.	৮-১২ আসন বিশিষ্ট এসি মহিলাদের (মাসিক ভাতা ভিত্তিতে সরবরাহ)	১৬	৫০০/-	১০,০০০/-	২০২০-২০২১ অর্থবছর	
১৭.	মটর যন্ত্রাদি মেসারিস করকাল, প্রতিষ্ঠান/প্রকল্প	১৭	৫০০/-	২০,০০০/-	২০২০-২০২১ অর্থবছর	
১৮.	বইপত্র ও সামগ্রিক সরবরাহ	১৮	৫০০/-	১০,০০০/-	২০২০-২০২১ অর্থবছর	
১৯.	প্রথম ও শস্য চিকিৎসা সামগ্রী সরবরাহ	১৯	৫০০/-	৫,০০০/-	২০২০-২০২১ অর্থবছর	
২০.	ব্রাশ ব্যাট দলের জন্য বাসনঃ ও যন্ত্রাংশ সরবরাহ	২০	৫০০/-	৫,০০০/-	২০২০-২০২১ অর্থবছর	
২১.	সম্পূর্ণ অস্থায়ী ভিত্তিতে আউটসোর্সিং পদ্ধতিতে জনস্বাস্থ্য নিয়োগ (বাগি, পরিচ্ছন্নতা কর্মী ও মালী)	২১	৫০০/-	৫,০০০/-	২০২০-২০২১ অর্থবছর	
২২.	কার্য সম্পাদনের সময়	২২	কার্যসম্পাদনের তারিখ হতে ০৭ (সাত) দিন/চাহিদা মোতাবেক।			
২৩.	দরপত্র আহ্বানকারীর নাম, পদবী ও ঠিকানা	২৩	আব্দুল নসাম, পিপিএম, অতিরিক্ত আইডিপি, ইডাঃ পুঃ হেডঃ বাড়ী-০৭, রোড-১৩, সেক্টর-১০, উত্তরা, ঢাকা।			
২৪.	দরপত্র মাল্যমাত্র ও সরবরাহ সংক্রান্ত বর্ণনা	২৪	মাল্যমাত্র কর্ম/বৈধী ক্রয় করার ক্ষমতা কর্তৃপক্ষ সংরক্ষণ করেন। এ সংক্রান্ত অন্যান্য শর্তাঙ্গীত বিশদ বিবরণ দরপত্র তফসিল/নিলিতে পাওয়া যাবে।			

১৬.	বিশেষ শর্তাঙ্গীতঃ	ক) নির্দিষ্ট সময়ের পর আর কোন দরপত্র গ্রহণ করা হবে না। খ) কোন কারণ দর্শানো ব্যতিরেকে কর্তৃপক্ষ যে কোন দরপত্র গ্রহণ বা বাতিল করার ক্ষমতা সংরক্ষণ করেন। গ) দরপত্র উল্লিখিত যে কোন আইটেমের বিধান দৃষ্টি অথবা ক্রয়াদি বিধানে কর্তৃপক্ষের ক্ষমতা রয়েছে।				
১৭.	দরপত্রের সকল কার্যাবলী পিপিএ/২০০৬ ও পিপিএ/২০০৮ এবং তদীয় সংশোধিত ২০১০ এর বিধি মোতাবেক পরিচালিত হবে।					

মোঃ ফরহাদ হোসেন খান
পিপি নং-৮২১০১২০৮৯৩
অতিরিক্ত পুলিশ সুপার (প্রশাসন, অর্থ ও ট্রেনিং)
শকে/অতিরিক্ত আইডিপি
ইন্ডাস্ট্রিয়াল পুলিশ হেডকোয়ার্টার্স
উত্তরা, ঢাকা

তারিখ-১০৭

Bangladesh Lamps Limited								
Sadar Road, Mohakhali Dhaka - 1206								
3rd Quarterly Financial Statements January-March 2020								
STATEMENT OF FINANCIAL POSITION (UN - AUDITED) AS AT 31 MARCH 2020								
	As at 31 March 2020 Taka	As at 30 June 2019 Taka						
ASSETS								
Non-current assets								
Property, plant and equipment	85,813,940	99,419,154						
Investments:								
At cost	88,527,133	88,527,133						
Fair value adjustment	339,119,529	551,934,109						
	427,646,662	640,461,242						
Loans and deposits	4,586,026	7,280,899						
Total non-current assets	518,046,628	747,161,255						
Current assets								
Inventories	476,984,830	452,793,718						
Trade and other receivables	120,438,492	311,997,657						
Advance, deposit and prepayments	27,937,586	31,191,205						
Advance income tax	345,403,562	321,791,849						
Cash and cash equivalent	45,246,421	115,128,810						
Total current assets	1,016,010,891	1,232,903,239						
TOTAL ASSETS	1,534,057,519	1,980,064,494						
EQUITY & LIABILITIES								
Capital and reserves								
Share capital	93,706,080	93,706,080						
Reserves and surplus	482,367,577	771,582,711						
Shareholders' equity	576,073,657	865,288,797						
Non-current liabilities								
Deferred liability - gratuity payable	53,327,401	51,753,995						
Deferred tax liability	25,428,530	49,588,062						
Total non-current liabilities	78,755,931	101,342,057						
Current liabilities								
Short term finance	493,248,278	539,958,886						
Trade and other payables	99,924,342	144,487,908						
Other liabilities	99,713,331	87,667,795						
Provision for tax	186,341,980	181,279,551						
Total current liabilities	879,227,931	1,013,434,140						
TOTAL EQUITY & LIABILITIES	1,534,057,519	1,980,064,494						
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN - AUDITED) FOR THE NINE-MONTH PERIOD ENDED 31 MARCH 2020								
	1 July 2019 to 31 March 2020	1 July 2018 to 31 March 2019	1 January to 31 March 2020	1 January to 31 March 2019				
	Taka	Taka	Taka	Taka				
Revenue	790,567,363	1,164,648,520	236,543,850	390,771,807				
Cost of sales	(881,274,880)	(892,311,800)	(382,006,419)	(296,596,869)				
Gross profit	188,292,483	272,486,117	54,539,411	94,174,938				
Other income	7,880,500	7,198,331	1,852,665	1,936,817				
Operating expenses	(296,725,162)	(330,091,355)	(84,441,749)	(84,335,881)				
Profit/(loss) before net finance cost	(41,432,179)	45,555,090	(28,040,678)	11,773,862				
Finance cost	(41,537,234)	(37,740,758)	(12,230,406)	(11,334,205)				
Finance income	6,211,637	5,076,675	2,783,055	1,875,369				
Net finance cost	(35,325,601)	(32,664,090)	(10,447,311)	(9,458,836)				
Profit/(loss) before contribution to NWPF	(76,753,846)	12,687,010	(38,496,984)	1,525,066				
Contribution to NWPF	-	(55,719.3)	-	(71,631)				
Profit/(loss) before income tax	(76,753,846)	12,631,255	(38,496,984)	1,453,435				
Income tax:								
Current tax	(5,861,430)	(7,718,530)	(4,439,648)	(12,225,501)				
Deferred tax	3,870,914	2,908,131	655,458	3,717,786				
Net profit/(loss) for the period	(78,540,361)	1,024,856	(39,271,154)	588,664				
Other comprehensive income:								
Changes in fair value of financial assets	(211,834,583)	37,248,308	(72,574,724)	(34,969,821)				
Deferred tax income/(expense)	31,281,458	(3,724,680)	7,257,417	5,495,981				
Other comprehensive income/(loss)	(180,553,125)	33,523,628	(65,317,307)	(29,473,839)				
Total comprehensive income/(loss)	(279,471,624)	41,346,152	(104,588,351)	(28,871,455)				
Earnings per share (per value Tk. 10 each)	(8.42)	0.88	(4.13)	0.86				
STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE-MONTH PERIOD ENDED 31 MARCH 2020								
	1 July 2019 to 31 March 2020	1 July 2018 to 31 March 2019						
	Taka	Taka						
A. Cash flows from operating activities								
Collection from customers	1,315,416,817	1,320,335,873						
Payment to suppliers	(510,535,556)	(683,568,838)						
Payment to employees	(144,992,770)	(157,879,647)						
Payment for services received	(214,105,436)	(227,212,384)						
Cash payment of VAT	(121,459,696)	(341,849,355)						
Contribution to provident fund	(5,040,651)	(2,880,242)						
	119,220,770	97,145,407						
Cost recovery	10,237,350	9,903,799						
Collection from sale of scrap and others	240,550	350,380						
Interest paid	(40,646,997)	(32,667,492)						
Income tax paid	(23,611,713)	(28,379,116)						
	65,441,910	45,952,978						
B. Cash flows from investing activities								
Dividend received	1,427,952	1,427,952						
Payment for acquisition of property, plant and equipment	(35,627,422)	(34,195,357)						
	(34,199,470)	(32,767,405)						
C. Cash flows from financing activities								
Dividend paid	(17,340,738)	(16,364,838)						
	(17,340,738)	(16,364,838)						
D. Effect of exchange rate changes in cash and cash equivalent								
	(5,033,483)	-						
E. Net cash inflows/(outflows) for the period (A+B+C+D)								
	36,868,219	16,820,735						
F. Opening cash and cash equivalents								
Cash and cash equivalents	(484,876,076)	(509,135,838)						
Short term finance	(593,998,866)	(612,612,270)						
G. Closing cash and cash equivalents (E+F)								
Cash and cash equivalents	(448,003,857)	(492,315,103)						
Short term finance	(493,248,278)	(601,191,168)						
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE-MONTH PERIOD ENDED 31 MARCH 2020								
	Share Capital	Capital Reserve	General Reserve	Fair value Reserve	Retained Earnings	Total		
	Taka	Taka	Taka	Taka	Taka	Taka		
Balance as at 1 July 2019	93,706,080	2,385,167	149,262,430	496,740,080	29,373,392	861,288,267		
Dividend	-	-	-	-	(18,341,214)	(18,340,216)		
Transferred to general reserve	-	-	10,532,715	-	(10,532,715)	-		
Net profit/(loss) for the period	-	-	-	-	(79,540,362)	(79,540,362)		
Other comprehensive income/(loss)	-	-	-	(181,511,122)	-	(181,511,122)		
Balance as at 31 March 2020	93,706,080	2,385,167	149,262,430	385,267,576	(68,940,292)	976,697,661		
Balance as at 1 July 2018	93,706,080	2,385,167	221,526,520	472,149,385	40,479,116	830,144,448		
Dividend	-	-	-	-	(18,341,214)	(18,340,216)		
Transferred to general reserve	-	-	21,377,900	-	(21,377,900)	-		
Net profit/(loss) for the period	-	-	-	-	8,224,656	8,224,656		
Other comprehensive income/(loss)	-	-	-	31,511,679	-	31,511,679		
Balance as at 31 March 2019	93,706,080	2,385,167	149,262,430	385,671,265	8,224,656	831,169,788		
COMPARATIVE STATEMENT FOR INFORMATION OF THE SHAREHOLDERS FOR THE NINE-MONTH PERIOD ENDED 31 MARCH 2020								
	2020 Taka	2019 Taka						
Earnings per share (EPS)	(8.42)	0.88						
Net assets value (NAV) per share	61.48	91.05						
Net operating cash flow per share (NOCFPS)	6.98	4.90						
 Company Secretary			 Chief Financial Officer			 Director		
 Director			 Managing Director					
The detail of the published quarterly financial statements is available in the website of Bangladesh Lamps Limited. The address of the website is www.bl.com.bd								



TAMING CORONAVIRUS RAMPAGE

Ctg port faces another setback as fear grips employees

MOHAMMAD SUMAN, Ctg

Export and import activities through Chattogram port may face a fresh round of setback as the fear of contracting the novel coronavirus is spreading like wildfire among the employees of the premier seaport and the customs house.

Three port employees have died while 35 staffers, including 14 from the customs, have tested positive for COVID-19 until Saturday.

Port and customs officials said it was not possible to maintain social distancing as about 12,000 people, including importers, clearing and forwarding agents, shipping agents, port workers, and truck drivers and helpers, come to the port area every day.

“The customs house was open round-the-clock during the general holidays. Though we have taken several measures to fight the novel coronavirus, maintaining social distancing is quite impossible due to the huge number of service recipients coming every day,” said Fakhrul Alam, commissioner of the Chattogram customs house.

About 3,000-4,000 trucks and covered vans from different parts of the country enter the port area a day with more than 6,000-8,000 drivers and assistants, according to Omar Farooq, secretary of the Chittagong Port Authority.

Besides, more than 4,000-5,000 C&F agents, port workers and shipping agents remain busy at the port jetties, he said.

“We are trying our best but still it’s a gigantic task to ensure social distancing among all these people.”

Farooq said they collect samples from 15 employees every day through the Chattogram port hospital and send those to the laboratory for coronavirus test.

“We know it’s not enough. So we have requested the health department to set up a separate coronavirus testing booth for us. I hope it will be possible in two or three days.”

A customs official, who has been struck by COVID-19, said each floor of the three-storey building of the customs house remains crowded every moment.

“Thousands of people enter the building and they have to move through a narrow staircase. The employees are at risk as they do not have proper personal protective equipment.”

Altaf Hossain, general secretary of the C&F Agents’ Association, said the customs and port authorities were working with half the manpower than required.

“As a result, it takes more time to get our work done,” he said, adding that they had directed their employees to wear masks and follow other safety guidelines.

NTT DoCoMo poured \$350m in Bangladesh. But it is now leaving empty-handed.

Japanese telecom giant pointed fingers at regulatory regime

MUHAMMAD ZAHIDUL ISLAM and JAGARAN CHAKMA

Japan’s largest mobile firm NTT DoCoMo is leaving Bangladesh after 12 years completely empty-handed despite injecting \$350 million in the country.

The departure, which will bring DoCoMo’s 12-year presence in Bangladesh to an end, has raised questions about the regulatory regime in the telecommunication sector.

This may also impact the 5G roadmap of Bangladesh as NTT DoCoMo is ranked the world’s leading operator in terms of applications for candidate standard-essential patents and the number one in terms of 5G technical proposals in 2019, experts say.

On Friday Robi, the second-largest carrier of the country where DoCoMo was a part for the last 12 years, got the approval from the Bangladesh Telecommunication Regulatory Commission (BTRC) to hand over its 6.33 per cent share in Robi to Indian multinational company Bharti Airtel.

The Japanese mobile phone operator has not disclosed how much it is getting from the Indian firm for selling the shares.

This compelled the BTRC to reach an amount by fixing the value of the stake at Tk 10 per share in line with the face value of each security in the stock markets in Bangladesh.

The carrier has paid all of the Tk 4 crore it has got from Bharti International to the BTRC in share transfer fees, which would leave the Japanese company with no money or very insignificant amount to take home.

Now, it has to complete some formalities at the Registrar of Joint Stock Companies and Firms before leaving.

In 2008, when DoCoMo came to Bangladesh, the BTRC had charged Tk 139 crore as share transfer fees, which were 5.5 per cent of the total value of the shares.

At the time, AK Khan Group sold its 30 per cent stake in the erstwhile Aktel and a case has still been pending with the High Court on the issue of the huge transfer fees.

Since the foray, the Japanese telecom investors were very unhappy with the telecom policies and regulatory regime of Bangladesh and as a result, they even did not consider any further investment in the country save some requisite technological support.

DoCoMo raised questions about the policies on fibre optical cable, interconnections and telecommunication transmission.

Mobile operators are allowed to lay fibre optic in other countries. But in Bangladesh, they have to take the service from other companies.

Similarly, the carriers have to go through interconnection exchange operators and international gateway operators before connecting subscribers at home and abroad.

NTT docomo

NTT DOCOMO'S TIME IN BANGLADESH

» AKTEL awarded licence in 1997 with the partnership of Telecom Malaysia

» In 2008, NTT DoCoMo acquired 30pc shares of local firm AK Khan Group for \$350m and renamed it as Robi

» In 2012, DoCoMo diluted its shareholding to 8pc

» DoCoMo's shares were further diluted in 2016 to 6.33pc when Robi merged with Airtel

» From the onset DoCoMo was unhappy with regulatory regime

High tax is another reason, say industry people. At 54 per cent, Bangladesh’s mobile industry has one of the world’s highest taxation rates.

In 2013, the predominant mobile operator of Japan decided to squeeze its stake to 8 per cent from 30 per cent.

When Robi and Airtel merged in November 2016, DoCoMo’s share was diluted and came down to 6.33 per cent.

When DoCoMo contracted its shareholding to 8 per cent in 2013, the Bangladesh government should have taken it as a wakeup call as the Japanese behemoth had squarely blamed regulatory uncertainty for downsizing its stake, but the situation kept worsening, experts said.

In the last one year, DoCoMo did not sit

in the board of Robi Axiata and withdrew all of its employees at Robi more than a year ago.

In February, Robi announced that it wanted to get listed on the stock market and has accordingly applied to the Bangladesh Securities and Exchange Commission -- in a testament of the commitment of the foreign owners of the operator to the market.

Once the issue becomes mature, the stakes of both Axiata and Bharti will be diluted and the shareholding structure will change again.

In a meeting in March, the commission decided to allow DoCoMo to leave the country. There had been no mention of imposing charges on the share transfer in the meeting minutes.

The meeting also decided to recommend the government approve the departure. But in the letter of the telecom ministry where it gave the consent, the issue of charge was mentioned.

On Saturday, Md Jahurul Haque, chairman of the BTRC, said the commission did everything as per the Telecom Act.

“Maybe they (DoCoMo) have other plans and that’s why they are leaving Bangladesh,” he said.

With the departure, DoCoMo will join a list of telecom players such as Orascom Telecom Holding, SingTel and Dhab Group (Warid Telecom) that wound up operations in Bangladesh in the past.

Robi has 4.99 crore active users as of March, trailing behind market leader Grameenphone.

“We are sad to see NTT Docomo exiting from Bangladesh’s telecom market,” said Shahed Alam, chief corporate and regulatory officer of Robi Axiata.

In 2016, Citycell, the country’s first mobile operator, quit the market. Later, Airtel merged with Robi since its operation in Bangladesh as a separate company had become unviable, he said.

“Therefore, there is no doubt about the dire business prospect for telecom business in Bangladesh unless economies of scale are created by an operator,” said Alam.

Md Sirazul Islam, executive chairman of the Bangladesh Investment Development Authority (BIDA), does not think that the departure would give a wrong signal to

READ MORE ON B2

Calls for anti-dumping duty on Indian yarn grow louder

REFAYET ULLAH MIRDHA

The country’s primary textile millers have once again called upon the government to impose anti-dumping duty on cheap Indian yarn to save the \$8 billion domestic textile industry.

Thanks to the global coronavirus pandemic, hundreds of mills in India are sitting on unsold yarn, which they are diverting to Bangladesh on the cheap and many local garment makers are lapping them up.

For instance, the local millers are selling the widely-consumed 30-carded yarn is selling at \$2.80 to \$2.90 a kilogram, whereas the same quality yarn can be managed at \$2.60 to \$2.70 per kg from India, according to the Bangladesh Textile Mills Association (BTMA).

Besides, the Indian yarn is highly subsidised as the government provides incentives for cotton purchase and production of yarn at the mill level, according to BTMA Secretary Monsoor Ahmed

As a result, yarn worth \$1.4 billion have remained unsold at the factory level in Bangladesh over the last two months, he told The Daily Star yesterday.

Subsequently, the BTMA recently wrote to Finance Minister AHM Mustafa Kamal, Commerce Minister Tipu Munshi and Textiles and Jute Minister Golam Dastagir Gazi requesting measures to stop the invasion of cheap Indian yarn.

In the letter, the association also called for increasing the cash incentive for garment exporters by 6 percentage points to 10 per cent if local yarn and fabrics are used.

The local millers churn out \$12 billion worth of yarn a year and can meet 85 per cent of the demand for raw materials by the knitwear sector and 35 per cent by the woven sector.

In fiscal 2018-19, Bangladesh exported garment items worth \$35 billion, and 63 per cent of the garment items were made from local raw materials. As a result, the retention value was also high at \$15 billion, according to BTMA President Mohammad Ali Khokon.

On the other hand, the retention value from the imported raw materials was only \$3.25 billion, he said in the letter.

The BTMA also demanded the import prices of yarn be scrutinised at the land ports along the Bangladesh and Indian bordering areas.

Meanwhile, the Indian clothing manufacturers have already taken steps to save their domestic industry.

On May 22, Rakesh Biyani, president of the Clothing Manufacturers Association of India (CMAI), sent a letter to Indian Textile Minister Smriti Zubin Irani to request an additional duty on import of apparels from Bangladesh.

The CMAI said the domestic clothing industry is under threat because of duty-free import from different countries, including Bangladesh.

Thanks to the duty-free trade benefit, Bangladesh’s garment export to India has increased a lot in recent time despite having a 12.50 per cent countervailing and provincial duty.

READ MORE ON B2

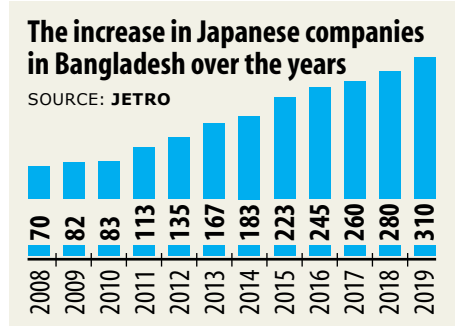
Japanese firms eye expansion, not relocation

REFAYET ULLAH MIRDHA

Following the advent of the coronavirus pandemic in Wuhan, China last December, it was assumed that a number of Japanese companies based in the East Asian nation would shift their factories to less affected countries like Bangladesh and Vietnam.

However, Bangladesh might not benefit greatly after all as a very few of the Japanese companies want to relocate from China, said a senior official of the Japan External Trade Organisation (JETRO) last week.

Bangladesh, however, could still enjoy the fruits of Japanese investment as majority of the existing Japanese companies want to expand their operations in Bangladesh, the JETRO official added.



JETRO is a government organisation that works to promote mutual trade and investment between Japan and the rest of the world. As such, the organisation oversees all of Japan’s foreign investment.

According to the annual JETRO survey, 99 per cent of the Japanese companies operating in China will remain where they are.

Only 0.9 per cent will even consider diversifying their business to a third country or region in the next one or two years, said Yuji Ando, Bangladesh country representative of Jetro.

“We cannot say for certain that Japanese companies have started relocating to other counties,” Ando said in reply to a query from The Daily Star last week.

“However, the Japanese government plans to support its companies to diversify their production base,” he added.

As of 2019, the number of Japanese companies operating in China is 33,050.

As per the statistics from JETRO Dhaka, the number of Japanese companies operating in Bangladesh has quadrupled over the past 10 years and as of April 2020, stands at 310, Ando said.

The cumulative value for foreign direct investment (FDI) from Japan is about \$370 million.

Japanese investment may favour labour-intensive sectors like the apparel and IT, which have the possibility to diversify Japan’s procurement of such products from China to Bangladesh.

In the past, rather than the COVID-19 pandemic, it was other issues such as increased labour costs in China that pushed companies to expand their markets to emerging countries like Bangladesh.

Considering the huge potential for growth in countries like Bangladesh, the JETRO survey also found that about 70.3 per cent of all Japanese companies would consider expanding their businesses in the next one or two years.

This rate is the highest among 19 countries and regions in Asia and Oceania.

But due to the ongoing pandemic, companies will have to recoup their losses before making any plans for expansion. This means that government support for those companies will play a key role in their decision to reach other markets.

At times, Japanese investors complain about different challenges they face in Bangladesh, the official said.

“We can say that we have two major issues. First, tax and foreign exchange. Second, the improvement of investment climate.”

The regulation of telegraphic transfer of remittance for import trade is one of the more symbolic issues as companies have to bear high transaction costs and spend considerable amounts of time on import trade, Ando said.

The government temporarily relaxed regulations on working capital loans from parent companies as such but the limitation for eligibility and term should be relaxed further, he said.

“I understand that the budget for financial support is limited so I strongly believe that it is high time for the Bangladesh government to go for regulatory reforms (deregulation) to improve the bottlenecks and promote FDI, especially in the tax and foreign exchange policy and investment climate.”

This would support local companies and directly contribute to improving the country’s position in the ‘Ease of Doing Business’ index of the World Bank. Investors are always closely watching the government’s efforts to improve investment climates, he added.

Managing stimulus packages and banking sector liquidity



PRASHANTA KUMAR BANERJEE

Like the rest of the world, the Bangladesh economy is reeling from the shocks of the coronavirus pandemic.

Apart from the health and safety issues relating to COVID-19, a discussion on possible measures for both the economy and financial sector liquidity has become essential.

As per the prediction of many economists, Bangladesh’s gross domestic product may shrink by 2 per cent to 3 per cent, although the extent of severity and recovery mainly depends on how long the pandemic will drag on.

It is also important to note that the country’s trade to GDP ratio was 38.24 per cent in 2018, which signifies that the recovery of our economy will also depend on how the world economy, particularly the US and European economies, behave in the post-pandemic period.

The government and the Bangladesh Bank have initiated several praiseworthy measures for the sake of the general people, real economy, and most importantly, the financial system.

Their decisive actions have already created confidence among stakeholders and will possibly help avert panic.

The government has so far announced 19 stimulus packages worth Tk 103,117 crore, which is 3.7 per cent of the country’s GDP.

Crucially, a certain portion of the interest rates of all stimulus packages will be borne by the government.

Besides, organisations like Palli Karma-Sahayak Foundation (PKSF), Palli Sanchay Bank and a few non-governmental organisations have announced their own packages.

The government is expected to innovate new tools and sources of finance in place of traditional means of borrowing from banks, as leaving enough funds in the hands of the institutions to lend to the private sector is also crucial.

Apart from strengthening the tax machinery on a priority basis, a host of other measures has become the demand of the time.

They include bringing black money to the market; maintaining steady remittance inflow through giving incentives; requesting the diaspora community to send money for their motherland in profitable long-term investment opportunities; requesting international funding agencies to provide more financial support; prioritising the implementation of development projects; stopping the misuse of resources at the maximum level, and so on.

We know that every challenge comes with opportunities. We need to locate these opportunities well ahead of others and use them perfectly for the interest of reviving our economy.

In this global crisis, our solace is that the government is in a comfortable position with the food supply as farmers have successfully stored boro paddy and aus is going to be cultivated in due time.

On the external front, a low oil price is expected to continue, and that is good news.

If the government can implement its stimulus packages by not depending much on lenders, hopefully, banks and financial institutions will not face major problems in providing liquidity support to the real economy.

To maintain liquidity support for banks and financial institutions, the BB has taken several appreciable measures.

It has reduced the cash reserve requirement (CRR) and repo rates by 100 and 75 basis points, respectively, for injecting sufficient funds into the market.

The BB has also announced its intent to purchase treasury bills and bonds currently held by banks in excess of their statutory liquidity ratio (SLR) requirement.

This quantitative easing technique can be very helpful in supporting the financial market liquidity in the crisis period.

It is expected that banks and financial institutions can add Tk 105,646 crore in the market by selling excess holding over SLR to the central bank if they need money.

On the contrary, the BB has created scope for banks to lend more money to the economy by increasing the loan-deposit ratio from 85 per cent to 87 per cent for conventional banks and investment-deposit ratio from 90 per cent to 92 per cent for Islamic banks.

To deal with the liquidity problem, the BB can take more conventional and unconventional measures like decreasing the reverse repo rate and even permitting borrowing against the SLR holding among others in case of the need for more money.

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Reconditioned vehicle sellers seek Tk 500cr loan from stimulus package

STAR BUSINESS REPORT

Reconditioned vehicles traders are demanding Tk 500 crore from the government’s stimulus package for industries and service sectors to cope with the economic fallout from the ongoing pandemic.

Announced in April, the Tk 72,750 crore allocation includes low-interest loans that would be provided by banks.

The vehicle importers and dealers say they had continued paying staff salaries and showroom rent amidst poor sales during the last two months of shutdowns, which led to losses of about Tk 300 crore.

“Automobiles are not daily essentials and we fear that the current scenario will continue for several months before sales regain their momentum,” said Abdul Haque, president of the Bangladesh Reconditioned Vehicles Importers and Dealers Association (Barvida), in a virtual press conference yesterday.

About 6,000 vehicles have been sold this fiscal year, whereas last fiscal year the figure had reached some 14,000.

Showrooms have been shut since March 26 and some Barvida members opened theirs on a limited scale from May 10, all to no avail as there is little to no customers, Haque said.

Barvida is a big source of revenue for the government and they pay thousands of crores of taka a year to the government exchequer in the form of tax, the association said in a statement yesterday.

About two-thirds of the value paid by a customer for a vehicle is essentially duties and taxes payable at the import stage. This revenue amounted to Tk 1,456 crore last fiscal year, he said.

The trade also contributes to the economy by generating value-added tax, road tax and registration fees, the Barvida president said.

Besides, each of Barvida’s over 870 members pays their income tax and they have already invested around Tk 20,000 crore in the past 30 years.

By providing the sector Tk 500 crore in low-interest loan, the government exchequer would eventually be Tk 1,500 crore richer.

“We assure the government that the loan for reconditioned motor vehicle sector is 100 per cent safe. The money will be deposited in the bank against the vehicle document, and Barvida will provide a guarantee,” he said.

According to Barvida, over 4,000 cars are on display in around 200 showrooms in Dhaka and Chattogram at present.

Besides, about 7,000 imported vehicles have been kept in the Mongla and Chattogram yards.

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