

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	BUY TK	USD	EUR	GBP	CNY
0.08%	0.22%	\$1,764.56	\$41.92	1.43%	0.75%	0.78%	1.38%	83.95	93.12	102.15	11.71	
3,989.08	6,862.14	(per ounce)	(per barrel)	35,414.45	22,121.73	2,610.17	3,025.98	84.95	96.92	105.95	12.31	

City

**DUAL PREPAID CARD**  
BREAK YOUR PAYMENT BARRIERS  
Accepted by PoS and ATMs too

FREELANCER | STUDENT | ONLINE TRAINING/COURSE

Hot Line : 019 299 88880-2  
www.siblbcd.com

# Star BUSINESS

DHAKA THURSDAY JULY 2, 2020, ASHAR 18, 1427 BS • starbusiness@thedailystar.net

## He lived and built quietly. But his legacy will reverberate for eternity.

SOHEL PARVEZ

What makes an entrepreneur absolutely unique from the myriads of others?

The list of answers could be long and vary from person to person in today's business world.

But if you ask anyone looking for a job or an employee about the most cherished quality of an employer, he or she is most likely to give a simple answer: one who provides a healthy working environment, values skills, respects and promotes integrity, and keeps employees ensured that they will get their salaries and other benefits regularly.

And this is what Latifur Rahman, who built and steered an empire of diversified businesses ranging from lightings to food, medicine to media, believed in: happy employees and their families.

In a conversation with two journalists of this newspaper, he shared the view responding to the question of why Transcom is not so visible in corporate social responsibility activities.

In a country where the issue of job and salary security has been a major concern for job seekers and jobholders, Transcom Group, an employer of nearly 17,000 persons, stands tall thanks to Rahman's high principles.

And the torch bearer left for eternity at the age of 75 yesterday, coincidentally on the same day his grandson Faraaz Ayaaz Hossain was cruelly taken away by a band



of Islamist terrorists.

But Rahman's legacy remains firm and solid in the landscape of ethical entrepreneurship and the growth story of Bangladesh.

"I am really devastated by this loss," said a sad Anis Ud Dowla, chairman of ACI Group.

Dowla and Rahman worked together in the Metropolitan Chamber of Commerce and Industry (MCCI).

"He had great vision. We have a lost great leader. We have lost a fine gentleman."

For him, Rahman did clean business and he had been transparent. He was the choicest entrepreneurs in Bangladesh for foreign investments.

"He had an international outlook. And his reputation

and image were good. He was very sophisticated and clean," Dowla added.

Taking the steering of business after the independence of the nation, Rahman gradually took Transcom to a diversified arena by adhering to ethical and responsible business.

Today, Transcom has 16 operational entities from medicine, foods, lighting, electronics to media. It is the local business partner of international brands Pizza Hut, KFC, PepsiCo and Philips.

Having an annual turnover of Tk 7,500 crore, Transcom Group is one of the highest of corporate tax and VAT payers in Bangladesh.

And because of its ethical business practices, several companies of Transcom Group were also recognised by the revenue authority by tax card as top taxpayers.

Mediaworld, Mediastar and Transcraft -- the three owning companies of The Daily

### Latifur Rahman's BUSINESS EMPIRE AT A GLANCE

- More than **135**-year-old business house
- Presence in **9** sectors
- Employees: nearly **17,000**
- Group annual turnover: **Tk 7,500** crore
- Eskayef exports pharma products to **26** countries

### COMPANIES

- Bangladesh Lamps
- Bangladesh Electrical Industries
- Eskayef Pharmaceuticals
- Mediastar
- Mediaworld
- Transcom
- Transcom Beverage
- Transcom Distribution
- Transcom Foods
- Transcom Electronics
- Transcom Consumer Products
- Tea Holdings
- Transcraft
- Trinco
- Transfin

Star, Prothom Alo, their printer Transcraft -- were recognised as the top taxpayers in the media category for the fourth straight year in fiscal 2018-19.

"What a fantastic empire he has built up. All these things are his creation," Dowla said.

READ MORE ON B3

## Heavy is the heart of the business community

REFAYET ULLAH MIRDHA

He did not stop just by reaching the pinnacle of businesses in Bangladesh through unparalleled dedication, hard-work and extraordinary ethics that brought him adulation at home and abroad.

Rather, Latifur Rahman went on to mentor and inspire a generation of entrepreneurs with his extraordinary business acumen, upstanding conduct and -- grace.

Chairman and chief executive of Transcom Group, one of the largest conglomerates in Bangladesh, Rahman died yesterday at the age of 75, leaving a legion of businesspeople with heavy hearts.

"We lost an iconic figure in our business world," said Tapan Chowdhury, managing director of Square Pharmaceuticals.

Rahman had almost been a family member to Chowdhury and a friend of his father, Samson H Chowdhury, one of the most successful entrepreneurs in Bangladesh.

"I have a lot of good memories as I also worked with him in different capacities, both as a businessman and as a former president of the Metropolitan Chamber of Commerce and Industry (MCCI)."

Both Rahman and Chowdhury are former presidents of the MCCI. But what truly defined him was his rectitude.

"He was a man of principles -- he never compromised with the principles. And he was very transparent in his businesses," Chowdhury added.

Like him, many business chambers, trade bodies and individual business personalities have mourned the sudden demise of Rahman as he is recalled for his extraordinary personality, for touching the hearts of thousands of successful businessmen and for his good deeds.

After the independence of the country in 1971, very few businesses could thrive following ethics. But Rahman could establish his business empire Transcom Group -- which consists of media, tea, pharmaceuticals, food and beverage, electronics, among others -- just the way he wanted to: moored in morality.

READ MORE ON B3

## New SBAC MD remains unruffled by the adverse weather

Tariqul Islam Chowdhury took charge yesterday

MD FAZLUR RAHMAN

Given the coronavirus pandemic-induced collapse in business and dragging liquidity problem, the timing could not be worse to take the helm of a relatively new bank.

But Tariqul Islam Chowdhury, the newly appointed managing director and chief executive officer of South Bangla Agriculture and Commerce (SBAC), is not panicking.

He is rather designing his targets and goals in line with the changing times.

"The banking sector has been going through a very difficult period. Overall, 2020 may be a difficult year for the banking sector. But I think we would not do badly under the circumstances," he told The Daily Star yesterday.

Staying afloat should be the main target during difficult times.

He was appointed for a three-year term starting yesterday, the bank said in a press release. He replaced Mohammad Golam Faruque.

SBAC has 82 branches mostly in the Dhaka division and has permission from the central bank to open 10 more branches. But Chowdhury says he would focus less on opening branches largely to cut back on costs.

Rather, he would focus on sub-branches, which would provide all services a branch can provide but at much lower costs and with a smaller number of staff.

"I think subbranches would fare well in the coming days in serving the unbanked people."

It has six sub-branches, which employ three to four staff each, now. This year, the bank would set up four more sub-branches.

In 2019, the bank raked in an operating profit of Tk 227 crore, up from about Tk 203 crore a year earlier.

The bank would still make a sizable amount of profit this year amidst the pandemic, he said.

At present, deposits total about Tk 7,000 crore and loans and advances Tk 5,600 crore.

Chowdhury looks to bring down the classified loans at the bank below 4 per cent. "We are working relentlessly to bring it down further."

Corporate lending at SBAC accounts for 30 to 35 per cent of the loans and advances, but the incoming MD has set a target to reduce it in phases.

READ MORE ON B3



Tariqul Islam Chowdhury



## Blessing in trying times: OBHAI's dedicated home-hospitals runs

MAHMUDUL HASAN

Nazim Ahmed, a retired banker residing in the capital's Mohakhali DOHS, was mired in consternation last week when he realised his daughter was showing major COVID-19 symptoms: fever, dry cough, fatigue, sore throat and body ache.

He felt an urgency of getting each member of his household tested as soon as possible for the highly contagious pathogen.

The main obstacle to doing so was taking them to test centres or hospitals as he had sent his chauffeur on leave with pay in the last week of March, just before the government announced countrywide shutdown to flatten the spread on coronavirus.

But he breathed a sigh of relief when he came to know about OBHAI Sheba, dedicatedly working on commuting healthcare workers and patients to hospitals or healthcare centres amidst the current coronavirus blitzkrieg.

"I have used it thrice in the last few days. They are providing wonderful



COLLECTED

A driver of OBHAI Sheba disinfects his vehicle before a ride.

service at a time when people are struggling to get a safe mode of transport to risky places like hospitals during the crisis," Ahmed told The Daily Star yesterday.

Besides, the most unique aspect of the service is that it takes the customers from their homes to hospitals and waits, he added.

READ MORE ON B3

## Unilever announces MD for its new entity in Bangladesh

MD FAZLUR RAHMAN

Unilever, it seems, is dead serious about getting a strong foothold in Bangladesh's nutrition business.

On Tuesday, the Anglo-Dutch consumer goods giant finally completed its acquisition of GlaxoSmithKline's

health food and drinks business in Bangladesh, and instead of swallowing it into its wider operations, it has set up a separate entity.

And yesterday, it announced KSM Minhaj, currently the customer development director of Unilever Bangladesh, as the managing director

of the new company, christened Unilever Consumer Care.

The announcement was made after getting the approval from the board of directors of GSK Bangladesh at its 297th meeting on Tuesday, said a press release from Unilever.

READ MORE ON B2



KSM Minhaj



GlaxoSmithKline Bangladesh now Unilever Consumer Care

Board reconstituted, Masud Khan reelected chairman

Unilever Consumer Care to continue as publicly listed independent entity



The policy would keep exporters free from the risk of payment default, said Prashanta Kumar Banerjee, a professor and director of the Bangladesh Institute of Bank Management.

Businesses are now forced to go for exports on sales contracts without payment guarantees where some risks remain on getting their earnings.

But the factoring will cover the risk and the importer's bank will provide the payment in case of failure of the importer to make the payment on time, he added.

The factoring helps importers as they do not need to invest money before receiving the products. This is why a good number of foreign importers had earlier showed reluctance to import goods from Bangladesh due to the absence of the factoring method.

READ MORE ON B3



# Slow takeoff for aviation in Europe

AFP, Paris

After coronavirus lockdowns that brought civil aviation to nearly a complete halt air traffic is slowly resuming in Europe as borders reopen, but tens of thousands of jobs are still hanging in the balance.

The lockdowns saw air travel plunge by 94.3 percent in April compared with the same month last year, when measured by kilometres travelled by paying passengers. IATA, the leading trade association for the aviation industry, believes the recovery in air travel is likely to be determined not only by the pace of restrictions being lifted but also by the extent health worries keep people from travelling.

IATA expects the recovery to begin in domestic air travel, then extend to continental travel and finally, at the end of the year, to long-haul inter-continental flights. It sees air travel returning to its pre-coronavirus levels only in 2023.

Most travel restrictions within Europe have been lifted and starting Wednesday nationals from 15 countries are allowed into the EU.

The United States, Russia and Brazil -- where the virus is still spreading quickly -- were left off the list.

In Europe, during the week of June 15-21, an average of 7,706 flights were recorded each day, a 78 percent drop from the same week last year, according

to Eurocontrol which manages European airspace.

The airlines operating the most flights were Turkish Airlines, Lufthansa, Wizz Air, the Norwegian regional airline Wideroe, and Air France.

The busiest airports were Paris-Charles de Gaulle, Frankfurt, Amsterdam-Schiphol, London-Heathrow and Istanbul.

Lisbon was the top destination for tickets booked in the first half of June, beating out Paris,

Amsterdam, Athens, Rome, Madrid, Frankfurt, Vienna, Barcelona and London, according to data released Monday by ForwardKeys, an outfit which analyses trends in air travel.

Last year during the same period, London topped reservations, and its relegation is due to quarantine measures, according to the firm.

IATA's chief economist Brian Pierce said nations which have imposed quarantines have seen

drops in traffic similar to a complete ban on flights. IATA has instead urged authorities to instead adopt sanitary measures like requiring travellers to wear masks, conducting temperature checks and requiring health declarations.

Government support measures for the industry "have saved thousands of jobs and are enabling airlines to keep connectivity going," said IATA's regional vice president for Europe, Rafael Schwartzman, last month.

"But I'm afraid the worst may be yet to come," he said, as airlines rely on the summer holiday travel season to earn profits that carry them through the lean winter months. "There will be no summer cushion" this year, he said.

IATA expects European airlines to suffer losses of \$21.5 billion this year compared to a profit of \$6.5 billion last year. It believes 6 to 7 million jobs linked to aviation are at risk.

Airlines and other businesses in the industry have already begun to cut jobs.

In recent days alone, Airbus has unveiled 15,000 job cuts -- 11 percent of its workforce -- as it seeks to adjust to the plunge in the commercial aviation business and as airlines eye delaying taking delivery of new aircraft.

SSP, the British owner of food outlets in railway stations and airports worldwide including sandwich chain Upper Crust and Italian takeaway Caffe Ritazza, said it may cut up to 5,000 UK jobs as the coronavirus pandemic keeps customers away.

Airport services group Swissport that provides check-in agents and cargo-handlers for airlines announced it was eliminating 4,000 jobs in Britain. Swiss duty-free shop operator Dufry, which has more than 2,400 shops and 31,000 employees across the globe, said it plans to reduce its spending on staff by up to 35 percent.



Air travels plunge by 94.3 percent year-on-year in April due to Covid-19 outbreak.

AFP

# US consumer confidence up to 98.1 in June, above expectations: survey

AFP, Washington

The Conference Board on Tuesday said the lifting of lockdowns to stop the coronavirus pushed the US consumer confidence index above predictions to 98.1 in June.

Similar improvement was seen in consumers' assessments of present conditions and future expectations, but The Conference Board warned the index remains weak, with activity below where it was before the pandemic.

Confidence was up from 85.9 in May, while the Present Situation Index improved from 68.4 to 86.2. "The re-opening of the economy and relative improvement in unemployment claims helped improve consumers' assessment of current conditions, but the Present Situation Index suggests that economic conditions remain weak," said Lynn Franco, senior Director of economic indicators at The Conference Board.

The expectations index measuring consumers' short-term outlook for economic conditions increased to 106 from 97.6 in May, which Ian Shepherdson of Pantheon Macroeconomics said was above its average before the pandemic.

The percentage of people expecting business conditions to worsen in the next six months decreased, while those expecting it to improve held steady at 42.6 percent. Moderate improvement was seen in consumers' impressions of the job market and economy. Respondents saying business conditions are "good" jumped a point to 17.4, while the percentage of those saying jobs are "plentiful" went up more than four points to 20.8.

But whether any of this positivity can withstand the surge in coronavirus cases across the country, which has prompted some state and local authorities to reverse reopening measures, remains to be seen. "Faced with an uncertain and uneven path to recovery, and a potential COVID-19 resurgence, it's too soon to say that consumers have turned the corner and are ready to begin spending at pre-pandemic levels," Franco said.

# Unilever announces MD for its new entity in Bangladesh

FROM PAGE B1

The board of GSK Bangladesh was reconstituted post acquisition by Unilever Overseas Holdings BV and Masud Khan was re-elected as the chairman.

Minhaj brings with him two decades of rich fast-moving consumer goods (FMCG) experience across multiple categories in foods, home and personal care while leading both marketing and customer development functions as a member of the management committee of Unilever Bangladesh over the last nine years.

He started his career at Nestlé Bangladesh in 2000, doing stints in supply chain and brand management before joining Unilever in 2006.

He was one of the youngest marketing directors of the country in 2011, leading a motivated and dynamic marketing team that successfully reshaped the laundry, skin and hair portfolio delivering both competitive and profitable growth.

The seeds of the future businesses like water, savoury edibles and hand and body were also sown under his leadership through the introduction of brands like Pureit, Knorr and Vaseline, the press release said.

In 2014, Minhaj was appointed director for sales and customer development at UBL.

In the last six years, he has successfully transformed the function, making it future-fit by driving execution excellence, expanding distribution base, and creating a fine blend of go-to-market talent.

It will be a huge privilege to lead Unilever's nutrition business in Bangladesh, Minhaj said in the statement.

"I cannot help but celebrate the moment as two of the most respected global organisations operating in Bangladesh join hands to take the nutrition business to a greater height. I believe with such high

quality of talent and purposeful brands we will be able to build an inspiring food and refreshment business in Bangladesh," he added.

The 44-year-old obtained a bachelor of business administration degree in management from the business studies faculty and an MBA in marketing from the Institute of Business Administration, both under the University of Dhaka.

He went to Dhaka College and St. Joseph High School in Dhaka, according to his LinkedIn profile.

Unilever Consumer Care will continue as a publicly listed independent entity and all the brands of GSK Bangladesh such as Horlicks, Boost and Glaxose-D will continue to be a part of the company's portfolio.

In 2018, Unilever announced its intent 82 per cent stakes in GlaxoSmithKline's health food and drinks business in Bangladesh for Tk 2,020.75 crore in its push to further its footprint in Asia's fast-growing economies.

GSK shuttered its 60-year-old pharmaceuticals business in Bangladesh in 2018. The pharmaceuticals unit, based in Chattogram, was incurring losses in the previous five years, much to the concern of the GSK Bangladesh board.

With the view to preventing any more losses, the board decided to bring down the curtains on the business.

GSK continued to outperform competitors in both health food drinks and toothpaste, with the company's share increasing to 95.8 per cent in the health food drink category, a gain of 0.3 per cent over 2017.

The share of GSK traded 0.34 per cent higher at Tk 2,182 on the Dhaka Stock Exchange on Tuesday. The market was closed yesterday because of the bank holiday.

# Gulf economies to shrink 7.6pc over virus, oil slump: IMF

AFP, Dubai

The Gulf states' economies could contract by 7.6 percent this year in their deepest decline in decades, as the coronavirus and low oil prices take their toll, a top IMF official said Tuesday.

The new projection for the six-nation Gulf Cooperation Council (GCC) is dramatically worse than the 2.7 percent contraction the IMF forecast just two months ago.

Oil revenues in the GCC, the Gulf Arab monarchies that supply nearly a fifth of the world's crude, are also expected to decline by \$200 billion in 2020, said Jihad Azour, director of the IMF's Middle East and Central Asia Department.

"The oil sector will shrink sharply by around 7.0 percent and it will be accompanied by a drop in the non-oil sector also," he said in a webinar on the prospects for a post-coronavirus recovery in the region.

Azour however predicted a faster rebound in 2021 as Gulf economies grow by 2.5 percent -- "a full 10 percent turnaround".

The GCC comprises regional powerhouse Saudi Arabia and the United Arab Emirates along with Bahrain, Kuwait, Oman and Qatar.

Azour said that oil prices in real terms (adjusted for inflation) dropped to their lowest level since 1973 earlier this year before recovering partially following a deal among major exporters to slash production.

The IMF last week kept its projections for Brent oil prices unchanged at around \$36 a barrel, almost half of last year's average.

Azour said the sharp drop in oil prices and the impact of the pandemic would lead to more debt in GCC economies, a problem he warned must be tackled. In its World Economic Outlook released last week, the IMF projected the Saudi economy, the largest in the region, would shrink

by 6.8 percent -- the lowest growth in more than three decades. Ahmed al-Kholifey, governor of the kingdom's central bank, the Saudi Arabian Monetary Authority, downplayed the projection as too gloomy.

"We see the IMF forecast as more pessimistic than our projections or even the (experts') consensus," Kholifey told the virtual forum, although he declined to provide figures.

Saudi Arabia's General Authority of Statistics published figures on Tuesday showing that the

kingdom's economy shrank by 1.0 percent in the first quarter.

But Kholifey acknowledged that the second-quarter performance would be weaker. In the neighbouring UAE, Dubai said Tuesday that its GDP had declined by 3.5 percent in the first quarter of 2020 compared to the same period in 2019.

The emirate's official media office said however that its troubled real estate activity had registered 3.7 percent growth.



REUTERS

The IMF last week kept its projections for Brent oil prices unchanged at around \$36 a barrel, almost half of last year's average.

# Pandemic to cause an economic whiplash: BB

FROM PAGE B4

Besides, the economy may face some challenges due to the implementation of mega projects.

Over the last couple of years, the government has emphasised the implementation of mega projects including that of the Padma bridge, Ruppor nuclear power plant and metro rail to foster economic growth to the next level.

A significant part of the financing for such projects has, however, come in the form of foreign currency-denominated loans from the development partners and multilateral organisations.

As a result, there is a gradual accumulation of foreign debts that need to be repaid in instalments from the near future.

While the number and size of these projects are increasing, there is a probability that such short and long-term debts may pose some pressure on the balance of payments if remittance inflow experiences slow growth due to coronavirus.

Higher growth of remittance inflow due to cash incentives declared by the government, the decline in oil price and the overall slow growth of import helped improve the external sector balance in 2019, the report said.

However, a constant fall in oil price could be a possible source of stability threat for Bangladesh as it might shrink remittance inflow from the oil-exporting countries.

Trading peer nations' real GDP growth, inflation in import partners and unemployment in top inward remittance partners worsened last year compared with 2018.

The external economy scenario is likely to be worse this year due to the pandemic, which might slow down export earnings and

remittance inflow as most of the trading and remittance partner countries have severely been affected too.

Despite recent improvements, proper monitoring of rescheduled loans amid the pandemic remains a critical challenge for the banking industry.

Most of the banking sector indicators might be affected due to the impact of the pandemic.

However, the bulk amount of the government's stimulus credit package augmented by the central bank's refinancing schemes should help the banking sector in combating the ill effects.

Allowing a higher proportion of institutional government funds to be deposited in private commercial banks might have caused the change as these deposits were shifted mostly from the state lenders to them. This recent stance improved the overall liquidity situation in the private commercial banks. The higher liquid asset holding should enable the banks to better manage their future liquidity issues amid the pandemic.

Default loans in banks stood at 9.3 per cent of the outstanding loans in 2019, down from 10.3 per cent in 2018. The amount of classified loans increased Tk 420 crore year-on-year to Tk 94,330 last year.

The decline in the default loan ratio last year could partially be attributed to stringent supervision by the central bank, improved monitoring from banks and restructuring of loans under a new policy aimed at reducing debt servicing burden of good borrowers.

Despite the recent improvement, proper monitoring of rescheduled loans amid the pandemic will be a critical challenge for the

banking industry.

Banks rescheduled defaulted loans amounting to Tk 52,770 crore last year, up from 127.35 per cent a year earlier.

The ongoing economic meltdown could severely affect the debt-servicing capacity of the borrowers and the performance of the rescheduled as well as regular loans might be hampered.

The BB has already extended necessary policy support to help the borrowers and banks and minimise the impact of the ongoing coronavirus outbreak.

Deposit growth in banks stood at 11.3 per cent last year, up from 10.5 per cent a year earlier. The deposit growth in the banking sector, however, might decline soon due to the impact of the coronavirus outbreak.

This might happen due to weaker economic activities accompanied by lower demand for labour in the remittance-originating countries.

Besides, demand for holding excess cash may also increase due to uncertainty associated with the pandemic.

The stress testing carried out by the BB revealed that the banking sector would be resilient to different shock simulations.

But the significant amount of loans concentrated among a few borrowers and a considerable level of default loans in some banks and non-bank financial institutions could pose a risk to the overall financial stability.

Strict compliance with the guidelines on large loans and single borrower exposure would help reduce risks on banks' exposure to large corporates or a specific group, sector or region.

# PPE exports bring a glimmer of hope to heavy-hearted garment sector

FROM PAGE B4

The EU and the US follow high standards when purchasing PPE products. Therefore, local manufacturers need to follow certain standards when producing for export.

"I am waiting for the FDA's approval. I hope I can obtain the required certification very soon," said Asif Ashraf, managing director of Urmi Group, a leading garment exporter.

However, he has already received a lot of work orders for PPEs, he added.

Local giant Beximco, which has long been a reputed exporter of medical products to various countries, has the FDA certification and some experience in PPE production.

Beximco is a big player in the textile industry as well.

"We got a lot of work orders from our buyers and straightaway started making and shipping them," said Syed Naved Husain, group Director and chief executive officer of Beximco.

Every month, Beximco is exporting \$20 million worth of PPEs.

"We have a target to export \$250 million worth of PPE in 2020 and 2021," Husain told The Daily Star over the phone.

Even during this time of crisis, Beximco did not layoff or put any employees on furlough thanks to a healthy supply of work orders for PPEs.

Beximco mainly exports to the US, the EU, Canada after supplying the domestic market.

The company is a major PEE supplier for Bangladesh's health ministry too, Husain said.

SM Khaled, managing director of Snowtex, has a lot of pending work orders for PPEs but has been unable to prepare them as he is otherwise preoccupied with orders for other garment items, such as jackets and outerwear.

"So I am not interested to make and export PPEs now. Rather, I recruited 800 new workers recently to cater to the work orders for other garment items from my factory."

However, Khaled has made and donated PPEs worth about Tk 1.5 crore to different organisations at free of cost.

However, his company exported 26 lakh units of masks worth \$1.27 million last week to a French buyer.

"I manufactured the masks because of pressure from the buyer. I also left making masks because of other work orders," Khaled added.

Vidiya Amrit Khan, deputy managing director of Dosh Garment, said she initially wanted to undertake the manufacture of PPEs but then lost interest as she believes the demand for such products will drop as soon as the coronavirus situation improves.

"So, my investment might be in trouble," she said.

At least 30 local garment factories recently started manufacturing PPEs and masks either for domestic sale or for export purposes, said Khan Monirul Alam, chairman of the PR committee of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Many garment factories have the capacity to export the products but obtaining certification from the FDA is time-consuming, said Navidul Huq, a coordinator of the BGMEA initiative to make PPEs.

As a result, all of those companies cannot start exporting PPEs even though many have made preparations to export.

"However, definitely PPEs and other health safety gears are the new additions to the country's garment business," he added.





**Yaseer Mahmud, country director at Saudi company Engineering Dimension International Investment (EDII); Golam Mostofa, country representative, and Md Lutfor Rahman, director for planning at Bangladesh Chemical Industries Corporation (BCIC), attend a deal signing ceremony at the latter's office in Dhaka on June 29 to set up a Tk 3,000 crore factory at Chhatak in Sunamganj to produce 3,000 tonnes of cement and 12,000 tonnes of clinker per day. The agreement was signed by Mustafizur Rahman, chairman of BCIC, and Hejji Mohammad Najeeb M, president and CEO of EDII. The commercial production of the factory, which would employ 600 people, is expected to begin by June 2023.**

# He lived and built quietly. But his legacy will reverberate for eternity.

FROM PAGE B1

Rahman was also recognised by the National Board of Revenue (NBR) as one of the top taxpayers in fiscal 2015-16. He again made the list of top taxpayers in Dhaka city.

He was an entrepreneur of the highest ethical standard and always tried to ensure that the state gets the due amount of tax, said Syed Aminul Karim, a former member of income tax of NBR.

"He maintained ethics and transparency. He is one of the few entrepreneurs who helped the country to advance. He showed that it is possible to do business here and take the nation forward by maintaining a high ethical standard," he added.

Field officials would get all accurate information whenever they examined any of Rahman's company transactions, said a senior official of the NBR's VAT department preferring anonymity as he is not authorised to speak with media.

In fact, Transcom employees would attest to Rahman's resolute record-keeping of transactions. No receipt was ever discarded.

"It may be that total employment created by Transcom is less than some others, but its contribution to revenue is high very," the tax official added.

These most admirable qualities also caught global attention.

In 2012, Rahman was awarded by Oslo-based Business for Peace Award as a mark of his highest distinction for outstanding accomplishments in the area of ethical business -- a rare quality in a country where unethical practices, tax and VAT evasion, loan scams, substandard product selling are rampant.

"His dealing with the banks were perfect. There was no default -- absolutely no default. He met his obligations to his banks as and when they became due," said Anis A Khan, former chairman of the Association of Bankers Bangladesh, attested to that.

As a leader, Rahman led the MCCI and was the vice-president of International Chamber of Commerce Bangladesh.

"His contribution to Bangladesh's business is showing that what foreign companies can do, we can also do and do it better," he said citing the manufacturing of COVID-19 drug Remdesivir by Eskayef as a case in point.

This virtue is visibly exemplified in what Transcom Electronics (previously Phillips Bangladesh) and Eskayef Pharmaceuticals have become today: world-class.

Under his leadership, Transcom acquired SmithKline & French SK&F in Bangladesh in 1990 and the company was renamed as Eskayef Pharmaceutical.

"The example he has set in taking over and setting up new industries should remain as an example for young entrepreneurs."

Besides, the group of industries allowed young graduates of the country to have gainful employment, said Khan, also the vice-president of MCCI.

Rahman was the ideal businessman, said AK Azad, former president of the Federation of Bangladesh Chambers of Commerce and Industry.

His story of ethical business would be an inspiration for young entrepreneurs. He has

a huge contribution to the economy and in employment creation.

"We learned a lot from an entrepreneur and elderly brother like him. We do not think we will have another Latifur Rahman anytime soon. His demise is a loss of the country," Azad added.

Rahman was an asset to Bangladesh, said AF Nesaruddin, a partner of Hoda Vasi Chowdhury & Co., a chartered accountancy firm.

"He was the most genuine and respected business personality in Bangladesh," said Faisal Hussain, general manager of Transcom.

And even though Transcom is a family-owned house, the group introduced the corporate culture and allowed executives to flourish and take the operational decision themselves.

"He always introduced us to others as colleagues," said Md Kamrul Hassan, executive director for finance at Transcom Group, who has been with Transcom for 30 years.

More than 50 employees have begun and ended their jobs at Transcom, said Habibur Rahman Mollah, who served as the chief operating officer of Transcom.

"It offered a peaceful life."

Rahman believed that one would be rewarded if he or she worked transparently and with integrity. He also had a dictat for his companies: no compromise on quality at any cost.

"Quality gets priority over profit," said Mollah, who retired after 20 years with Transcom.

Today, the employees of Transcom that Rahman has made a household name are mourning the demise of their most compassionate and conscientious employer.

## 2020 has been very kind to Islami Bank

FROM PAGE B4

At present, Islami Bank's market share in remittance collection is 32 per cent while it was 19 to 22 per cent before April.

During the lockdown, the government allowed branches to be opened for three days a week.

"However, we always at least kept one of the employees on duty to run our agent banking. So, we were able to provide every customer with the money sent by relatives during the crisis in a timely manner."

About 40 per cent of the bank's remittance is disbursed through its agent banking channels. Currently, it has 200 agent outlets across the country.

"Furthermore, we have a strong relationship with two banks in Saudi Arabia and 24 exchange houses in Dubai. Money transfer companies like MoneyGram and Western Union have tremendous faith in us because of our services."

The head of MoneyGram's Asia Pacific region recently congratulated Islami Bank

for being its fastest-growing remittance-handling bank, Alam said.

Islami Bank has 357 branches, 43 sub-branches, 660 own and about 11,000 shared ATM and CRM booths.

Through modern information technology and sincere customer service, the bank has become a unique institution with the trust and confidence of the public, irrespective of class, profession, religion or caste.

The bank's client base has grown significantly this year. At present, the number of customers the bank deals with is about 15 million.

Islami Bank began its agent banking activities in 2017 to make banking services available for people deprived of financial services.

Presently, the number bank's agent banking outlets handle more than 7 lakh customers while the value of deposits made through the system is the country's highest at Tk 2,600 crore.

## Blessing in trying times: OBHAI's dedicated home-hospitals runs

FROM PAGE B1

Launched in late April by ridesharing service OBHAI, the emergency transport service, as part of the country's fight against coronavirus, aims to cater to customers who are failing to get timely medical treatment due to a lack of safe means of transportation.

Not only ordinary people like Ahmed, but OBHAI Sheba has also particularly gone on to win the hearts of key persons on the frontline: doctors, nurses and other health workers.

"At the beginning, there was a severe lack of transportation. When we started availing the service from OBHAI Sheba, it helped me a lot," Tishadur Bappy, a medical officer of Dhaka Medical College Hospital, told The Daily Star yesterday.

He was particularly worried over the safe commute of his wife, a doctor at BIRDEM General Hospital, from his Mirpur residence. Travelling to and fro every day was getting tough for them, and on Eid day they availed the service.

"OBHAI's safety precautions were good and the drivers were also smart. Overall, their service is good," said Nuzhat Zohra, who is doing her internship at the Combined Military Hospital.

She used the platform several times to commute to the hospital from her house in the capital's Banasree.

The platform has undertaken a host of safety measures to ensure the protection of drivers and passengers from the virus.

Each of their vehicles got plexiglass installed between the driver and passenger to shield both from infectious droplets from breathing, sneezes or coughs.

Every OBHAI vehicle driver has to visit an area-based OBHAI Hub to examine their health condition before starting their daily ride. Only healthy drivers are assigned for rides and get a protection package that includes a mask, tissue and hand sanitiser.

Before the ride, the driver wears personal protective equipment, a mask and gloves and throughout the ride they are to clean their hands often with the hand sanitiser.

Tissue and hand sanitiser are provided to the passenger in the vehicle as well.

Drivers dispose of their used tissue, mask and gloves after every ride and use bleach-based solutions to clean the entire vehicle.

The platform introduced cashless payment systems through mobile wallets such as bKash and Nagad and point of sale machines so that passengers and riders can maintain social distancing even after the ride.

Obhai Sheba is currently available in Dhaka and Chattogram from 7:00 am to 10:00 pm.

Passengers can book a ride on the emergency vehicle service using the OBHAI app, OBHAI's Facebook and Instagram pages or calling the OBHAI Call Centre at 16633 and on WhatsApp at 01313-037546.

The booking has to be made at least one hour to 24 hours before availing the ride.

"As we have been going through such a critical phase globally, we have really got to acknowledge the importance of healthcare facilities of our country," Syed Ashrafur Karim Sarjil, head of OBHAI (car) operations.

Founded in 2018, ridesharing start-up OBHAI has four modes of transport -- cars, compressed natural gas-run three-wheeler auto-rickshaws and motorcycles, including female-driven ones for female passengers.

Currently operating across 23 cities including Dhaka, Chattogram, Khulna, Jashore and Barisal, the service is complemented by a call centre (16633) running 24/7.

## BB introduces payment guarantee for exporters

FROM PAGE B1

But from now on they will show interest in importing products from Bangladesh due to the latest initiative.

The policy will help exporters have access to appropriate finance up to the need in terms of local value addition. Back-to-back payment will be settled on receipt of final payment on maturity, the central bank said.

Banks have been allowed to extend early payment facilities to exporters on non-recourse basis out of their own funds against payment undertaking and payment risk coverage from external sources, as per the notice.

## Cable manufacturers' turnover to crash 50pc this year

FROM PAGE B4

"The project implementation agencies prefer Chinese companies because of their lower prices -- without any care for the quality of the product. Bangladeshi companies are now manufacturing world-class conductors and cables," Rony said.

The power plants also import foreign cables without paying any duty, although cables of that standard are available in Bangladesh, he added.

The cable manufacturers are dependent on raw materials imported from Chile, China, India, Oman, Malaysia, South Korea and Singapore.

## Heavy is the heart of the business community

FROM PAGE B1

He was a pundit in international trade and spoke for easing business terms, the business community said.

"I am not emotionally fit to say anything about Latifur Rahman. I will talk later," said Mahbubur Rahman, president of the International Chamber of Commerce Bangladesh (ICCB), when the correspondent called him for a few words on his long-term friend.

Latifur Rahman was the vice-president of the ICCB until his death.

"I am totally shocked hearing the news of the death of Latifur Rahman," said Commerce Minister Tipu Munshi, also a successful businessman.

He was a very successful business personality and entrepreneur.

"We lost a very good business entrepreneur. We need such an entrepreneur this time. Latifur Rahman was a friend. Both of us solved many business issues together," Munshi added.

"With the loss of Latifur Rahman, we have not only lost one of the foremost business icons of Bangladesh, but the MCCI, Dhaka has lost one of its longest-serving and distinguished former presidents. I personally have lost an uncle and a mentor," said Nihad Kabir, president of the MCCI.

As the president of the MCCI, Rahman served seven years in three tenures.

In that role, he was unflinching in trying to develop and entrench ethical business practices, mentor young business people, and forever was an ambassador of all that was good in Bangladesh's business.

"His enterprises brought global recognition for excellence in business in this country. His public service was exemplary, in many ways never publicised as were his business successes," Kabir added.

"We are deeply mourned," said Sheikh Fazle Fahim, president of the Federation of Bangladesh Chambers of Commerce and Industry, in a condolence statement.

More than 10,000 employees are working in Rahman's 16 companies in the areas of fast food, beverage, media, electrical and electrical, tea industry and insurance sector. Rahman was a director of the FBCCI in 1984 and 1996.

Syed Nasim Manzur, managing director of Apex Footwear and a former MCCI president, said: "The demise of Latifur Rahman has deprived us of not only one of our most admired and respected captains of industry but also our future generations of a great role model."

"Whether it was at the MCCI or it was in his own Transcom group that he built into one of the most admired and successful business groups in Bangladesh, Shamim uncle never wavered from his core values of integrity and humility. I always used to try to be the first to greet him when we met but never succeeded."

"His humility, strength of character and dignity made him almost larger than life to many of us. Yet when I had the chance to speak to him personally, he took such interest in all that I was doing. It was as if he had all the time in the world just for me."

This was his magical ability to bind together hundreds or thousands of lives but never lose sight of the individual.

"The other thing I shall always remember about him was his tremendous attention to detail," Manzur said.

Manzur's introduction to the MCCI was also through Rahman. "I would see how nothing missed his sharp eye yet he would never ever reprimand or embarrass," he added.

"We lost a star from our private sector. He was a pioneer in many ways," said Rupali Chowdhury, president of the Foreign Investors' Chamber of Commerce and Industry.

She had the opportunity to work with him as a board member of the ICCB. "I found him as my mentor in my capacity in the ICCB," Chowdhury said.

"Latifur Rahman will continue to be

a friend and a mentor to many of us for years beyond his death," said Rubana Huq, president of the Bangladesh Garment Manufacturers and Exporters Association.

"His contribution to the society, his life, his ideals and his struggles will continue to teach many of us that we must all live and lead by example as he had and that we should never compromise our goals for mediocrity."

He was a unique and outstanding human being and his death does not mark his end.

"Rather, it leaves us a new lesson to follow his footsteps and live in grace and faith," the BCGMEA chief said.

Rahman was such a personality who made an outstanding contribution towards the development of business, industry and investment and creation of jobs in the private sector with full of his hard work, dedication and integrity throughout his entire life, said Shams Mahmud, president of the Dhaka Chamber of Commerce and Industry.

"His unexpected demise is not only a shock to his family but also a great loss to the nation," he added.

Rahman has been a symbol of successful entrepreneurship in the domain of commerce and industry contributing immensely to the country's development, said Syed Ershad Ahmed, president of the American Chamber of Commerce in Bangladesh.

"Firm self-determination, hard practice and farsightedness brought for him the recognition in Bangladesh and beyond."

The AmCham Bangladesh awarded him in 2001 as the "AmCham Business Executive of the Year".

"We deeply mourn the sad demise of prominent and renowned businessman Latifur Rahman," said John Paul D' Costa, administrative officer of the International Business Forum of Bangladesh.

Rahman was instrumental in the development of business, trade and economy of the country.

His dedication and commitment to the development of the private sector were truly inspirational and unparalleled, the Business Initiative Leading Development said.

Rahman was a life member and the pioneer member of the Dutch-Bangla Chamber of Commerce and Industry (DBCCI). He was also a member of the governing body of Brac and a former president of the Bangladesh Employers' Federation.

"Our collective hearts are heavy with sympathy. We pray for his departed soul," said Md Anwar Shawkat Afser, president of the DBCCI.

Rahman was a successful businessman and got success in every sector of his business, said Ahsan Khan Chowdhury, chairman and CEO of Pran-RFL Group.

"He is also the best example who got success practising the business principle and ethics. He was not only a successful businessman but also a good business leader. He played a leading role to expand the business," Chowdhury added.

Rahman's reputation extended beyond the borders of Bangladesh. He was the first Bangladeshi to receive the Oslo Business for Peace Award 2012 for ethical business and social responsibility.

Latifur Rahman set an extraordinary example at home and abroad by running businesses maintaining honesty and ethics, said the Citizen's Platform for SDGs, Bangladesh.

"He made an unparalleled contribution towards creating jobs through development of businesses and investment," said Debapriya Bhattacharya, convener of the platform.

At the same time, he threw his weight behind civil society activities and played a role during many social movements.

"He would be remembered forever for his role in ensuring freedom of the press and freedom of speech."

## 2019 was a spirited year for AB Bank

FROM PAGE B4

The bank was able to maintain the loan-deposit ratio within the prescribed limit of the Bangladesh Bank. Other liquidity parameters like liquidity coverage ratio and net stable funding ratio were well ahead of regulatory requirements.

In 2019, the new management and board of the bank fixed its priorities: recovering bad loans, expanding liquidity and accelerating incomes, Tarique Afzal, president and managing director of AB Bank, told The Daily Star yesterday.

The bank aggressively went after large loan defaulters using the legal system. Scared, many defaulters paid back the money. As a result, the classified loans dropped by 42 per cent, he said.

Deposit collection accelerated within a year, he said, adding that the bank has put in place right people in the right places.

"We were a 'Z' category share. Now, we are heading towards the 'B' category company. We are gradually restoring our

lost glory."

He credited the board, the sponsor and the motivated staff for the continuous improvement in the condition of the 38-year-old bank.

The bank's stock rose 1.49 per cent to Tk 6.8 on the DSE on Tuesday. It has a reserve and surplus of Tk 1,630.40 crore.

AB Bank has been a pioneer in private sector banking in Bangladesh since its inception in 1982.

It was the first private commercial bank to start banking operation, introduce teller systems in branches and give out syndication finance to Biman Bangladesh Airlines.

In a first, it also offered first financing in shipbuilding, used international payments network SWIFT and opened merchant banking wings.

AB Bank was the first lender to have a financial house abroad, open an overseas branch in Mumbai, have a representative office in Myanmar and first to invest in Sri Lanka.

## Port users' protest halts import from India through Benapole

FROM PAGE B4

"Our protest will continue until the export and import from both sides start," he added.

The officials concerned in Petrapole said there is no barrier on trade from the central government, which controls the Indian port, according to Tarafdar.

The state government took control of the port when the pandemic began and ordered Petrapole to stop Bangladeshi trucks to curb the spread of coronavirus, said Kartik Chakrabarty, secretary of Petrapole C&F Agent Staff Welfare Association.

"We are negotiating with the state government to get permission for imports from Bangladesh, as both the parties are

incurring losses for this barrier," he added.

Some 500 trucks loaded with goods are now stranded at Benapole port to be exported to India, said Aminul Haque Anu, vice-president of the Benapole Exporters' Association.

"We are incurring huge losses every day for the suspension of export since the beginning of the coronavirus pandemic," he added.

Some 500 trucks used to enter Petrapole from Benapole before the coronavirus outbreak, which came down to 250 after the trade resumption, according to Tarafdar.

Normally 250 trucks laden with goods are exported to India in a day, he added.

## New SBAC MD remains unruffled by the adverse weather

FROM PAGE B1

The rest of the loans went to agriculture, SMEs and commercial sectors.

"Our target is to lend to micro and small entrepreneurs and implement the government's stimulus packages," he said, adding that the bank is looking to boost its presence in digital banking.

Chowdhury was serving as an additional managing director and acting MD before his elevation to the top at the bank's 105th board meeting.

The Bangladesh Bank gave its approval to his appointment, the private bank said in a press release.

Chowdhury started his career as a financial analyst at state-run Sonali Bank in 1984.

He worked as a branch manager, regional manager, divisional manager, head of human resources, credit, treasury management division and currency management division in Sonali Bank before becoming a deputy managing director at the state-owned lender.

He obtained B. Com (Honours) and M. Com in accounting from the University of Dhaka. In 1988, he became a DAIBB diploma-holder of the Institute of Bankers Bangladesh, the press release said.



# Pandemic to cause an economic whiplash: BB

AKM ZAMIR UDDIN

All major economic segments of the country will face deep trouble this year due to the ongoing economic fallout brought on by the coronavirus pandemic, according to a central bank report.

Although the government had set a GDP growth target of 8.20 per cent for this fiscal year citing a V-shaped recovery, the central bank's projections have given an indication the economy may face deep trouble in the days ahead.

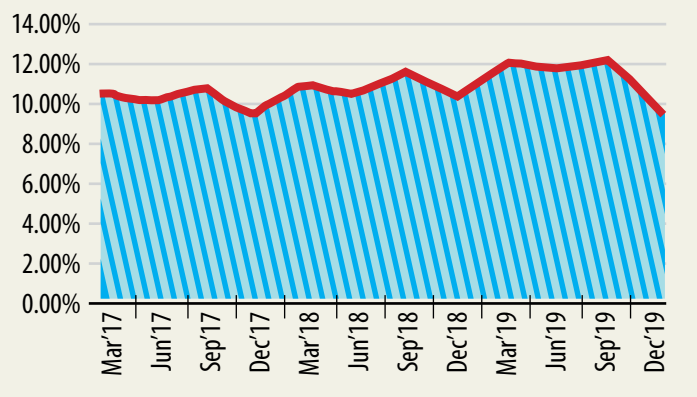
"Undoubtedly, the year 2020 would be critical and challenging for all of us. The stimulus packages alone may not suffice to address all sorts of damages made by COVID-19 on our economy," said Fazle Kabir, governor of the central bank.

He came up with the remark at the central bank's annual "Financial Stability Report" for 2019, which was released on Tuesday.

Kabir went on to urge all the stakeholders of the macro-

## Default loan ratio over the quarters

SOURCE: BB



financial system to extend their concerted effort to the fullest extent.

The government has so far announced several stimulus packages worth Tk 103,117 crore, which is nearly 3.7 per cent of the country's gross domestic product, to cushion the possible economic shocks from the global coronavirus pandemic.

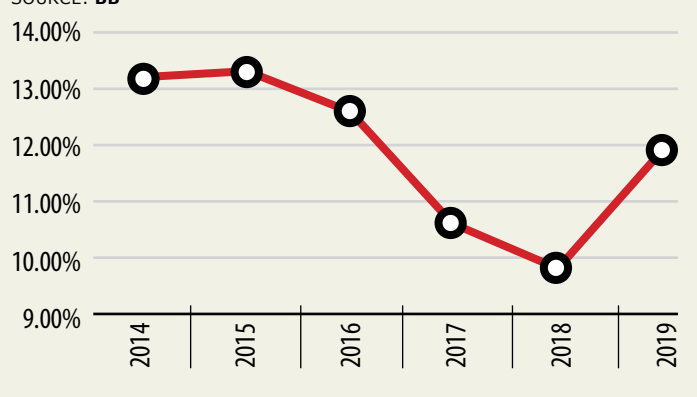
The economic whiplash by the rogue virus across the globe is likely to affect the domestic economy considerably in the coming days.

However, a considerable level of stability and resilience was observed in the financial sector of Bangladesh with a few exceptions.

In the wake of the pandemic, the vulnerabilities and uncertainties

## Banks' deposit growth over the years

SOURCE: BB



that have hit the global macro-financial landscape may pose some unconventional challenges for the Bangladesh economy in the days ahead as well.

A low level of external debt and low and stable inflation was favourable from a financial stability point of view.

Despite the depreciation of the taka to some extent and a

moderate output gap, the overall domestic component appeared to be quite stable with apparently no threat for the financial system.

The stable scenario might be altered, especially if the real economy is severely affected by the coronavirus attack resulting in lower output growth and rising inflation.

READ MORE ON B2

# 2019 was a spirited year for AB Bank

STAR BUSINESS REPORT

AB Bank, Bangladesh's first private sector commercial lender, made a remarkable turnaround in 2019 as its operating profit more than doubled on the back of its renewed efforts to expand footprint, strengthen liquidity and accelerate recovery.

The bank logged in Tk 645 crore in operating profit last year, registering a 110 per cent growth on 2018, the lender said in a press release.

Profit after tax stood at Tk 12.33 crore on a consolidated basis and Tk 16.77 crore on a solo basis. Consolidated earnings per share were Tk 0.16 last year from Tk 0.06 a year ago, according to the annual financial statement for 2019.



## AB Bank's stellar 2019

	2018	2019
Deposits	Tk 23,544cr	Tk 27,946cr
Loans	Tk 24,107cr	Tk 25,651cr
Loan-deposit ratio	91.09%	84.28%
Assets	Tk 32,253cr	Tk 36,557cr
CAR	10.03%	10.12%
Classified loans	Tk 7,973cr	Tk 4,689cr
Classified loans as % of total loans	33.07%	18.28%
External credit rating	A2	A+

## AB BANK'S TWO-YEAR STOCK PERFORMANCE



It declared a 5 per cent stock dividend after a lull of two years. It announced 12.50 per cent stock dividend in 2016 and 12.50 per cent in 2015, data from the Dhaka Stock Exchange (DSE) showed. This placed the bank in 'B' category at the DSE.

The bank said 2019 was a very challenging year as it started with staggering classified loan ratio of 33.07 per cent.

It came down to 18.28 per cent thanks to the prudent steps from the management, the lender said in a statement.

Despite having difficulties in the bank's business, depositors did not lose trust in AB Bank: in 2019, deposit totalled Tk 27,946 crore against Tk 23,544 crore a year ago.

READ MORE ON B3

# Port users' protest halts import from India through Benapole

India not allowing in Bangladeshi export-laden vehicles

MOKAMMEL SHUVO and MOHSIN MILON, Benapole

Import from India through Benapole remained suspended since yesterday morning, as the port's users and stakeholders went for protesting India's restriction on exports from Bangladesh.

The biggest channel for trade between the two neighbouring nations reopened on June 7 after remaining closed for three months due to coronavirus-induced shutdown.

Since June 7, some 4,188 Indian good-laden trucks entered Bangladesh, said Mamun Kabir Tarafdar, deputy director of Benapole Port Authority.

"But India did not allow any export from Benapole, as it believes Bangladeshi vehicles would spread coronavirus there," he added.

To protest such a unilateral decision, five organisations involved with trade through Benapole stopped processing papers of Indian trucks to bar imports, said Mafizur Rahman Sazan, president of Benapole Clearing & Forwarding Agents' Association.

READ MORE ON B3



COLLECTED

A man stands guard while a vehicle enters Bangladesh through Petrapole-Benapole channel.

# 2020 has been very kind to Islami Bank

Deposits and remittance reach new high

MAHMUDUL HASAN

Every cloud has a silver lining, this famous adage rings true for Islami Bank as the ongoing coronavirus pandemic seems to have acted as a boon for the financial institution.

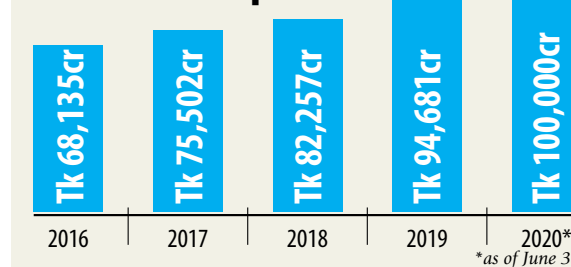
The bank has been blessed with two milestones, recently. The first is that deposits with Islami Bank crossed the Tk 1 trillion or Tk 100,000 crore-mark on June 30, a significant feat for any bank in Bangladesh.

The second is that it surpassed all previous records to rake in the highest amount of foreign remittance in the bank's history.

"These are undoubtedly big



## Islami Bank's road to Tk 100,000 lakh crore deposits



achievements for us. Our seamless service during this crisis period has increased customer trust on the bank," Md Mahbubul-Alam, managing director of Islami Bank, told The Daily Star yesterday.

In the last six months, the bank received new deposits worth Tk 5,500 crore, which is another record for the country's largest private sector lender.

"We never received such a large amount of deposits in the first six months of any year in the history of our bank."

At present, deposits with state-owned Sonali Bank amount to upwards of Tk 120,000 crore. However, a significant portion of that amount comes from the government. In the case of Islami Bank,

most of the deposits made are from general customers.

The managing director outlined three of the main reasons behind the bank's success in securing deposits.

First, there is a considerable inflow of remittance, 30 to 40 per cent of which is not immediately withdrawn by the beneficiaries, leading to an increase in deposits.

Meanwhile, the other two factors are the bank's ability to provide uninterrupted customer service and expanding agent banking network.

"In the early days of the pandemic, thousands of people lined up in front of banks to withdraw money. At that time, I told my officials to never discourage people from withdrawing money."

As a result, even though more people withdrew money, the few who deposited money made bigger deposits.

Besides, after the bank changed ownership, the company's customer reach was significantly widened, Alam said.

In May, the total value of remittance received by Islami Bank was \$461 million. The bank never received more than \$400 million before this.

In June, remittance collection jumped 116 per cent year-on-year to \$575 million.

The bank is making significant contributions to the national reserve (foreign exchange reserves) by increasing remittance inflow through its banking channels, according to its MD.

READ MORE ON B3

# PPE exports bring a glimmer of hope to heavy-hearted garment sector

REFAJET ULLAH MIRDHA

Personal Protective Equipment (PPE), such as face masks and surgical gowns, has become another major export of Bangladesh's garment sector as global demand for such products increased exponentially due to the ongoing coronavirus pandemic.

Although exports of other apparel items witnessed a steep fall over the past three months, PPE products turned out to be the sector's unlikely saviour.

Many garment manufacturers have already set up new lines of production at their factories in a bid to meet the soaring demand for PPEs, especially from the US and EU.

PPE companies did not need to terminate any of their workers amid the coronavirus outbreak but instead ended up recruiting a few

hundred more workers to increase production capacity.

Since people all over the world are buying PPE products at a rampant pace to protect themselves from the rogue pathogen, the coronavirus crisis seems to have provided a major opportunity for the industry.

Considering the potential, Finance Minister AHM Mustafa Kamal has altogether waived VAT charges on the manufacture of PPE products and its raw materials in the national budget for fiscal 2020-21.

According to the word of mouth, the demand for such goods will continue to grow as the coronavirus will continue to haunt public health for many years to come.

The market value for PPE products has already reached a few billion dollars, just about six months after the pandemic began



in Wuhan, China last December.

In that time, Bangladesh has become a frontrunner in supplying PPE products worldwide as local garment manufacturers continue to receive a considerable amount

of work orders from international buyers.

The risky situation has turned into an export opportunity, according to numerous apparel companies.

In April for instance, earning for garment exports was just \$0.37 billion. It should be mentioned though that this value was the biggest contribution to Bangladesh's monthly target for export earnings during that period.

However, garment sector exports rebounded to hit a total value of \$1.23 billion in May, thanks to large shipments of PPE products.

Not all local manufacturers have been able to capitalise on the opportunity though due to delays in obtaining certification from the US Food and Drug Administration (FDA) and its EU counterpart.

READ MORE ON B2

# Cable manufacturers' turnover to crash 50pc this year

JAGARAN CHAKMA

Cable manufacturers are fearing a 50 per cent year-on-year slash in revenue this year as demand for wires fell drastically in the country due to the coronavirus outbreak.

They also believe the financial losses would be long-term, as the pandemic has either suspended or postponed most of the development activities -- the main source of earning for the sector.

The industry lost Tk 23 crore in revenue every day during the countrywide closure for coronavirus, said Rafiqul Islam Rony, director for marketing and sales at BRB Cable Industries, the biggest cable manufacturer in Bangladesh.

The shutdown of infrastructure development and renovation activities had hurt the sector the

## CABLE INDUSTRY AT A GLANCE

- Total investment: Tk 20,000cr
- Market size: Tk 7,000cr
- Revenue losses: Tk 1,500cr in two months
- Annual growth: 15%
- Total players: 120
- Total employment: 25,000
- Per day sale: Tk 23 crore
- Top players: BRB, Eastern, BBS, Paradise, Partex and Bizli, SQ

There is no possibility of getting back the pre-coronavirus environment soon for the sector, where businesses have so far invested more than Tk 20,000 crore, said Rony of BRB, which holds 41 per cent share of the local market.

It will take at least two years for the cable industry to rebound, as it takes time for the demand to pick up, he said. In 2019, about Tk 7,000 crore worth of cables were sold, up from Tk 2,000 crore 11 years earlier, he said.

The sector has been growing at about 15-20 per cent on an average for the last 16 years thanks to the expansion of power grid lines as the government looks to ensure electricity for all by 2021.

The demand for cables increased in the country in the last five years, said Mohammed Abdul Jabbar, managing director of Eastern Cables.

Not only the gridlines, but the industry also has a big market in the housing and industrial sectors, he said.

"But the epidemic spoiled the growth momentum for an indefinite period."

The private sector's development activities have started on a limited scale, but the public ones are yet to resume, Kamal said.

There are 120 cable manufacturers in the market where Eastern holds 15 per cent share, BBS 13 per cent, Paradise, Partex and Bizli 6.5 per cent each, SQ 5.3 per cent and the others the rest.

The local players believe they would have thrived more had they gotten the big contracts of the Bangladesh Power Development Board and Rural Electrification Board.

READ MORE ON B3