

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▼ 0.22%	▼ 0.12%	\$1,857.30	\$43.07	▼ 0.16%	▼ 0.58%	▼ 1.33%	▲ 0.37%	BUY TK 83.95	95.68	105.70	11.82
4,076.79	7,036.42	(per ounce)	(per barrel)	37,871.52	22,751.61	2,594.53	3,333.16	SELL TK 84.95	99.48	109.50	12.43



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BUSINESS

DHAKA THURSDAY JULY 23, 2020, SRABAN 8, 1427 BS ● starbusiness@thedailystar.net

Banks just not getting worked up by farm loans

AKM ZAMIR UDDIN

Banks are reluctant to disburse farm loans despite the government's renewed emphasis on keeping crop production unscathed from the devastating impact of the coronavirus pandemic and stimulus packages, deflating the state's efforts towards an economic bounce.

For the first time in many years, banks posted negative growth in farm loan disbursement in the just-concluded fiscal year, further highlighting their reluctance in lending to this key sector of the economy.

Agriculture lending declined 3.67 per cent to Tk 22,749 crore in fiscal 2019-20.

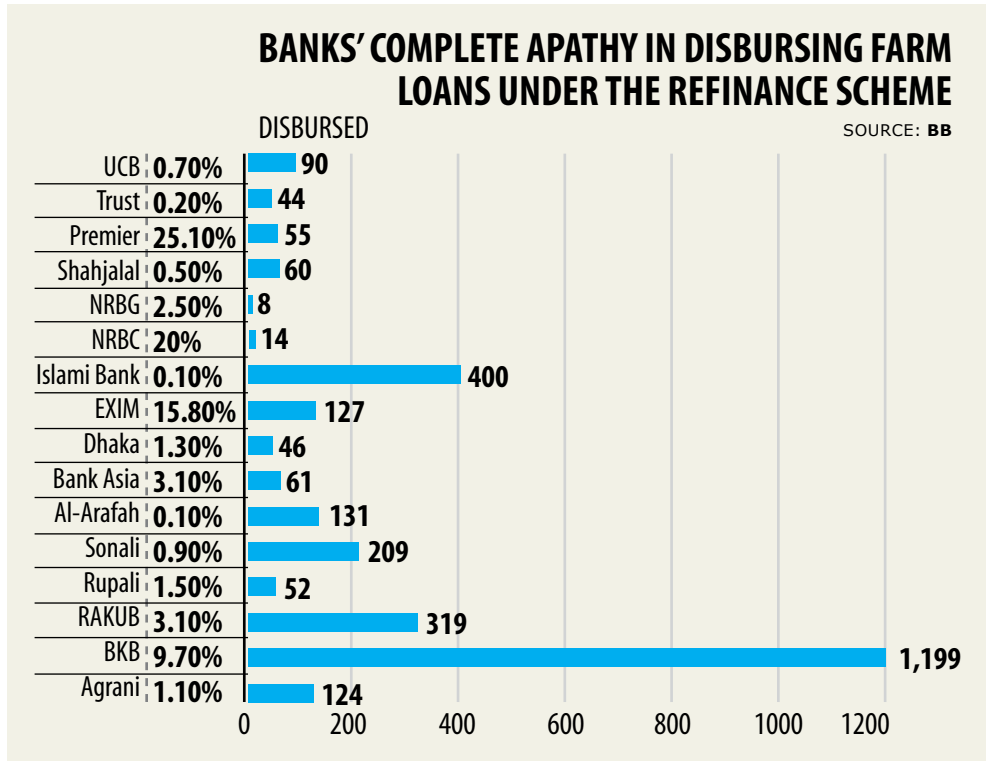
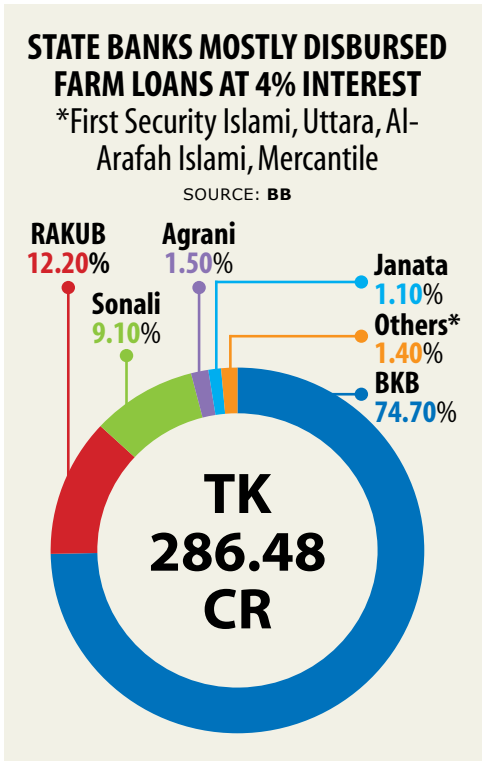
The central bank has already declared subsidies for banks for disbursing farm loans. And yet banks remain disinterested.

The dismal lending scenario is at odds with the government, which has given one of the highest priorities to the agriculture sector to avoid any food crisis.

But the lenders' attitude stands to compromise on the nation's food security.

Bankers blamed the countrywide shutdown from March 26 to May 30 imposed by the government to tame the fast-spreading coronavirus for the lower agriculture lending.

However, central bankers are not convinced. The Bangladesh Bank repeatedly asked them to



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keep the wheel of the farm loan disbursement moving to absorb the financial shocks stemming from the downturn, they said.

"The central bank even took two separate programmes to give a tempo to farm loan disbursement. But banks have taken an adamant stance that they would not give out loans to farmers," said a central bank official.

The BB announced a stimulus package of Tk 5,000 crore dedicated to small and medium

businesses and entrepreneurs in the farm sector. The tenure for the loans will be 18 months, including a grace period of six months at both banks and clients' ends.

Banks will borrow from the refinancing scheme at 1 per cent interest rate and they will lend at 4 per cent.

As many as 43 banks signed the participation agreement with the central bank but only 16 gave loans.

As on June 30, Tk 172 crore was disbursed from the refinance scheme.

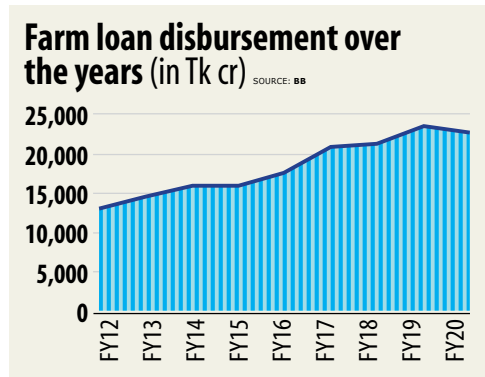
The central bank has introduced another programme to provide agriculture loans at 4

per cent interest rate.

Under the initiative, banks enjoy 9 per cent interest on disbursed loans, while the BB provides the rest 5 per cent as subsidy. Farmers are entitled to the subsidised loans from April 1 this year to June 30 next year.

But this effort has also not paid off as only nine banks disbursed Tk 286.27 crore in the three months to June.

The central bank has started drawing up the annual farm loan policy since 2009, when the government appointed Atiur Rahman as its governor.



Govt makes setting up single-member companies easier

Amends Companies Act recently

REJAUL KARIM BYRON

The government has brought in a major amendment to the Companies Act allowing setting up of single-member companies, a move that is expected to give a boost to entrepreneurship, draw investors and support the growth of SMEs.

The cabinet gave its approval to the amendment on Monday and it would be now placed in parliament to set it in motion.

Allowing single-member companies would draw local and foreign investors and improve the country's ranking on the World Bank's Ease of Doing Business Index, Cabinet Secretary Khandker Anwarul Islam told reporters on Monday.

Allowing the formation of single-member companies would enable entrepreneurs and family businesses to move out of the

shadow of informality and gain access to financial and business services available in the formal economy, said Finance Minister AHM Mustafa Kamal in a letter to the WB in April.

The reform is a starting point to addressing a range of improvements in the regulatory regime that are needed to support the establishment and growth of microenterprises and small- and medium-sized enterprises, said Zahid Hussain, a former lead economist of the World Bank's office in Dhaka, yesterday.

The amendment would help regularise many SMEs and microenterprises and bring them under the legal purview, and thereby reduce informality, he said.

"It would help Bangladesh improve its ranking in the next Doing Business Index," said an official of the finance ministry.

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MAHMUDUL HASAN

Hundreds of thousands of cattle are set to remain unsold this Eid season thanks to coronavirus, which has eaten up the income of the country's burgeoning middle-class and also instilled the fear of coronavirus contagion among the upper class for partaking in the sacrificial ritual.

The reluctance of the two classes has left thousands of cattle farmers are now staring at massive losses.

Buoyed by the stellar returns last year, when he sold all of his 140 cows one and half months before Eid, Md Akbar Alam Upal, managing director of Fit and Fresh Agro in Keraniganj Upazila, reared 300 cows for this season.

Until yesterday, he managed to sell only 60 cows and at prices 20 to 25 per cent lower than last year.

For instance, he sold a cow weighing 640 kg at Tk 2.20 lakh, the minimum price of which should be around Tk 3 lakh.



AHMED HUMAYUN KABIR TOPU

"Every year big corporate groups would buy 30-40 cows for their factory employees. But this year they are not participating in Qurbani," Upal told The Daily Star yesterday.

Upal already sequestered 150 cows for next season because of the low price.

"But, it is also not a good move as

I have to feed them fodder and other ingredients. And the cattle would not grow much after a certain point."

Last year, he invested about Tk 3 crore and got Tk 30 lakh in profit. This year, he spent Tk 8 crore and is estimating losses to the tune of Tk 60 lakh.

Cattle farming has been a new

phenomenon among literate youths in the country ever since neighbouring India imposed a ban on the export of cows to Bangladesh in 2014.

Boosted by success stories in dairy farming, Shahidul Islam Razu entered the business two years back after completing his Master's degree from a government college in the capital. Last year, he sold all of his 20 cows and pocketed a profit of Tk 4 lakh.

This year, his Modern Dairy Farm in Keraniganj reared 25 cows and so far they managed to sell just one cow.

Desperate to get rid of the cattle, he is now offering discounts of Tk 5,000 to 7,000 on each cow.

"But, there are no customers. I think people have no money," he said, adding that he is hard-selling on Facebook too but found no response.

Regardless, he has to sell the cows at a lower price this Eid or two months later because it costs a lot to feed them, he added.

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The government recognises that several issues such as tariff policy, access to inputs at competitive price or process and clear legal basis for more dynamic border clearances require priority policy attention to foster greater integration with global and regional markets, he said.

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জরুরি দরপত্র বিজ্ঞপ্তি নং-০১/২০২০-২০২১

এরদ্বারা ঢাকা জেলা প্রশাসনের জন্য অন্যান্য মনিটরিং ও কম্পিউটার সামগ্রী সরবরাহের জন্য জার্মানী প্রতিষ্ঠানের নিকট হইতে নিম্নবর্ণিত শর্ত সাপেক্ষে দরপত্র আহ্বান করা যাবে।

- ০১: জমাগলদ/বিভাগ: : জমাগলদ মহানগর।
- ০২: যন্ত্রের সার্বজনীনী সনাক্তকৃত নাম: : জেলা প্রশাসকের কার্যালয়, ঢাকা।
- ০৩: দরপত্র সার্বজনীনী সনাক্তকৃত জেলা: : ঢাকা।
- ০৪: যন্ত্রের ক্রয়ের মূল্য: :
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ক্র. নং.	ক্রয়ের নাম	দরপত্র মূল্যায়নের মূল্য (টাকায়)	টেন্ডার সিদ্ধিতির টাকার পরিমাণ (টাকায়)	কাজ সম্পাদনের কার্যকাল
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০৭:	দরপত্রমূল্য বিক্রয়ের শেষ তারিখ	১৭-০৮-২০২০ টক্সি, বিকাল ৪.০০ ঘটিকা।		
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০২: যন্ত্রের সার্বজনীনী সনাক্তকৃত নাম: : জেলা প্রশাসকের কার্যালয়, ঢাকা।

০৩: দরপত্র সার্বজনীনী সনাক্তকৃত জেলা: : ঢাকা।

০৪: যন্ত্রের ক্রয়ের মূল্য: :
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০৮: দরপত্র মূল্যায়নের ক্রয়ের স্থান ও ঠিকানা

০৯: দরপত্রমূল্য বিক্রয়ের শেষ তারিখ

১০: দরপত্রমূল্য গ্রহণের তারিখ, সময় ও ঠিকানা

১১: দরপত্রমূল্য গ্রহণের তারিখ

১২: দরপত্রমূল্য গ্রহণের তারিখ

১৩: দরপত্রমূল্য গ্রহণের তারিখ

১৪: দরপত্রমূল্য গ্রহণের তারিখ

১৫: দরপত্রমূল্য গ্রহণের তারিখ

১৬: দরপত্রমূল্য গ্রহণের তারিখ

১৭: দরপত্রমূল্য গ্রহণের তারিখ

১৮: দরপত্রমূল্য গ্রহণের তারিখ

১৯: দরপত্র

Kafrul homemaker scoops Tk 10 lakh win purchasing Walton refrigerator

STAR BUSINESS DESK

A South Kafrul homemaker won Tk 10 lakh yesterday making a lucky purchase of a Walton refrigerator for Tk 25,210.

Suchona Rahman is the sixth such winner of an “I will be millionaire once again” segment of Walton’s nationwide “Digital Campaign Season-7”, says a press release of the local brand.

To run till upcoming Eid-ul-Azha, the campaign offers Tk 10 lakh and cash vouchers of up to Tk 1 lakh on lucky purchases of Walton refrigerators, washing

machines and microwave oven.

Rahman purchased the refrigerator from Walton Plaza’s Mirpur-10 branch on July 13 and later received an SMS informing of her win. She said to be already using a Walton air conditioner and LED TV.

Of the other winners, Wazed Ali is a tailor by profession of Gazipur, Solayman Haque a towel trader of Naoga, Chaithwai Aoung Marma a poultry farmer of Rangamati, Ranjit Chandra Roy an office assistant of Khansama Upazila Project Implementation Office in Dinajpur and Nazim Uddin a fish farmer of Chattogram.

Savlon offers Covid-19 decontamination, consultancy service

STAR BUSINESS DESK

Liquid antiseptic brand Savlon yesterday announced launching a “Savlon Shurokkha” service for institutions, including educational ones, and businesses to cope with Covid-19 realities and reopen through measures for a return to normalcy.

Under the service, a skilled team, including virologists and microbiologists, will conduct risk assessment inspections at the establishment seeking the service and provide consultancy, health and hygiene related training, decontamination and

certification to ensure long-term protection.

Launched through a press conference at ACI Center, the service can be availed through hotline 16509 and Facebook pages Savlon Shurokkha and Savlon Bangladesh.

“With the help of this service, any institution can ensure safety of their employees,” said Syed Alamgir, managing director of ACI Consumer Brands, in a press release.

“Closed institutions can resume their regular operations and currently operating institutions can ensure safety for themselves,” he said.

Euro boosted as huge EU stimulus plan propels global stocks

AFP, New York

Global stock markets mostly rose Tuesday along with the euro as EU leaders clinched an agreement on what they boasted was a historic rescue plan.

The 750 billion euro (\$858 billion) deal was sealed after intense negotiations that saw threats of walkouts, vetoes and fierce opposition from the Netherlands and Austria. “Deal!” tweeted EU Council Chief Charles Michel, whose job was to guide the talks over more than 90 hours.

The package sends tens of billions of euros to countries hardest hit by the virus, most notably heavily-indebted Spain and Italy, which had lobbied hard for a major gesture from their EU partners. “This is the most important moment in the life of our Europe since the creation of the euro” in 2002, French President Emmanuel Macron said.

The agreement boosted European bourses, including in Paris and Frankfurt, and also lifted the single currency to its highest level against the dollar since early 2019.

BK Asset Management’s Kathy Lien said Europe has done much better than the United States at reopening its economy without igniting a spike in coronavirus cases, and that the package agreed in Brussels could add to that momentum. “With the US economic outlook growing more uncertain, these steps to ensure a stronger recovery (have) and should continue to drive (the) euro higher,” Lien said.

Focus now turns to lawmakers in Washington who are looking to pass a huge new stimulus package, with key supplemental unemployment benefits set to expire at the end of July.US stocks had a mixed session, with the Dow pushing higher behind gains in petroleum and banking shares, while the Nasdaq retreated from a record close.



AFP

The stimulus money aims to get European economies moving again.

Quincy Krosby, chief market strategist at Prudential Financial, said the pullback in Nasdaq was probably due to profit taking.

Investors are hopeful that some of the US states with bad coronavirus outbreaks may be leveling off and that lawmakers in Washington will approve another round of stimulus, Krosby said. “The package would help cushion the continued downside of the virus on the economy,” she said.

Dow members Exxon Mobil and Chevron jumped 7.2 percent and 5.1 percent, respectively,

as oil prices climbed to their highest level in four months after the European stimulus agreement was announced.

Another Dow member, Boeing, gained 2.4 percent as the Federal Aviation Administration said it would issue a proposed airworthiness directive for the 737 MAX, which has been grounded since March 2019 following two deadly crashes. The FAA statement moves the MAX a step further on the recertification path after the agency on July 1 completed test flights on the plane.

Tesla’s Musk qualifies for \$2.1 billion payday Number of e-GP tenders crosses 4 lakh

REUTERS

Tesla Chief Executive Elon Musk qualified on Tuesday for a payout worth an unprecedented \$2.1 billion, his second jackpot since May from the electric car maker following its massive stock surge.

Tesla’s stock was down 3% in afternoon trading, eroding a recent rally that has elevated the company’s market capitalization to almost \$300 billion, larger than any other carmaker.

Despite Tuesday’s stock dip, and importantly for Musk’s personal finances, Tesla’s six-month average market capitalization for the first time has reached \$150 billion. That triggers the vesting of the second of 12 tranches of options granted to the billionaire in his 2018 pay package to buy Tesla stock at a discount. Musk, who is also majority owner and CEO of the SpaceX rocket maker, receives no salary.

Even with Tuesday’s decline in



Tesla’s stock, its six-month average market capitalization rose, thanks to the stock’s strong rally in recent months.

In early May, Musk’s first tranche vested after Tesla’s six-month average stock market value reached \$100 billion.

p/ Musk has already achieved targets related to Tesla’s financial growth that are also required in

order to vest the latest options tranche.

Each tranche gives Musk the option to buy 1.69 million Tesla shares at \$350.02 each, less than a quarter of their current price. At Tesla’s current stock price of \$1,594, Musk would theoretically be able to sell the shares related to the tranche that vested in May and the current tranche for a combined profit of

\$4.2 billion, or almost \$2.1 billion per tranche.

Musk’s first tranche was worth about \$700 million in May, when it vested, but its value has since increased along with Tesla’s stock price.

The median compensation for Tesla employees last year was about \$58,000, according to a company filing.

Tesla’s stock has surged more than 500% over the past year as the company increased sales of its Model 3 sedan.

Following higher-than-expected second-quarter vehicle deliveries, some investors believe Tesla might report a profit in its second-quarter report on Wednesday after the bell. That would mark four consecutive profitable quarters, a first for Tesla and a key hurdle for it to be added to the S&P 500 index.

Analysts on average expect a \$240 million loss for the quarter, according to Refinitiv. A month ago, analysts expected a loss of almost \$340 million.

Banks just not getting worked up by farm loans

FROM PAGE B1

Banks are supposed to disburse at least 2 per cent of their total outstanding loans in farm credit. The farm loan had since maintained an upward trend.

The declining trend of the farm loan is a warning call for the country’s food security, said Rahman yesterday.

“Agriculture can protect us to a great extent from the ongoing financial meltdown. A one per cent growth in the farm sector can reduce poverty by 0.39 per cent,” he said.

The farm sector is now under tremendous pressure as people have flocked to villages to live their life smoothly and save themselves from the storms of the meltdown in the urban areas.

Both the government and the central bank will have to make a concerted effort to boost the farm loan disbursement to ensure a quick recovery from the recession, the economist said.

The agriculture sector accounts for 48 per cent of the country’s total employment. A strong partnership between banks and microfinance institutions is needed to give a boost to farm

loan disbursement in the quickest possible time, Rahman added.

The central bank should immediately explore the reasons behind banks’ reluctance to disburse farm loans, said Hossain Zillur Rahman, chairperson of Brac.

“The policymakers are not playing their due role in making the farm sector vibrant. And the declining farm loan is one of the reflections of their stance.”

The government should widen its dependency on the farm sector to keep the GDP growth sustainable, said the former adviser to a caretaker government.

“The central bank will have to compel lenders to disburse the required farm loans such that the ongoing financial recession doesn’t affect the peoples’ livelihoods badly,” said Salehuddin Ahmed, another former governor of the central bank.

The BB yesterday announced the new farm loan policy for the current fiscal year, setting an annual lending target of Tk 26,292 crore.

Managing directors of three banks on

condition of anonymity said that they would take initiatives to disburse farm loan. The loan disbursement will rebound in September and October, they said.

Banks have been in a state of confusion due to the wide-ranging economic fallout caused by the pandemic, putting a negative impact on the farm loan distribution, according to them.

Health, agriculture and employment creation have given priority while allocating resources for the annual development programme in fiscal 2020-21.

Of the development budget, 22 per cent has gone to the overall agriculture sector (agriculture, rural development, water resources and others).

“Ensuring food and nutrition security for the large population in Bangladesh, and protecting the lives and livelihoods of farmers, farm labourers and relevant others engaged in the agriculture sector are the main challenges now for us given the forecast of imminent famine in the post-coronavirus world,” Finance Minister AHM Mustafa Kamal said in his budget speech on June 11.

The unhappiest Eid for cattle farmers and traders

FROM PAGE B1

Besides the economic downturn brought on by the rogue virus, there are two other reasons for the dire situation in cattle trading, said Md Imran Hossain, president of the Bangladesh Dairy Farmers’ Association (BDFa).

One is that the very rich who used to sacrifice big cows every year are not participating in Qurbani this time for fear of the virus and the other is the restriction on performing Qurbani imposed by flat owners’ associations or housing societies.

“Many want to perform Qurbani due to their religious obligation but are unable to do so due to the barricade put by the associations.”

Hossain, the owner of Sadeeq Agro, one of the country’s biggest dairy farms located in the capital Mohammadpur, went on to urge the government to remove these obstacles to save thousands of centrifugal poor cow farmers.

Sadeeq Agro prepared 2,100 cows for this Eid and so far managed to sell only 450.

Last year, the farm had sold 75 per cent of its cattle two weeks before Eid. He had reared 1,900 cows. He projects more than 1,000 cows would remain unsold this year.

Hossain also demanded the government to provide money from the stimulus package to the

suffering dairy farmers so that they can continue in the business.

SMALL COWS ARE IN HIGH DEMAND

As coronavirus ate away significant portions of people’s income, buyers are opting for a small cow.

Buyers who used to avail cows worth Tk 1 lakh or Tk 1.2 lakh are now looking for cows worth Tk 65,000 to Tk 75,000 this time, said cattle trader Kakoli Khan, the owner of Shuddho Krishi, an e-commerce site.

According to her, 90 per cent of her customers prefer small cows.

Ecommerce platforms involved in cattle trading also confirmed that small cows are being sold as soon as they are uploaded on the site.

“Professional dairy farmers usually sell big cows. This time, the demand for big cows is low. So, they will face huge losses in the business,” said Hossain, president of the BDFa.

However, according to Khan, the demand for goats is high. She has already taken 31 orders for goats.

NORTH BENGAL FARMERS HIT HARD

Beside coronavirus, northern cattle farmers were fighting with lumpy skin disease (LSD) as their cattle were getting infected at an alarming pace by another highly contagious virus LSD.

Now, they are facing a new backlash: sustaining flood.

Abdul Aziz of Kurigram districts Fulpur Bazar area has to take shelter on THE street with his cattle Because the flood has submerged his house and farmhouse.

“Hundreds of cows have now been brought to the streets,” Aziz told The Daily Star yesterday. Saidul Alam, a cattle trader, brought his 32 cows to the street.

He bought a total of 42 cows, of which only ten have been sold with a nominal profit.

“I can’t sleep thinking about how to sell the remaining 32 cows as there are no customers,” he added.

It is the same story among the cattle traders and farmers in neighbouring Lalmonirhat district.

Abdul Hakim, a cattle farmer, has sold just one of his five cows at a loss of Tk 23,000.

“Flood and coronavirus have destroyed our business,” he said, adding that he is staring at losses of Tk 1.25 lakh if he has to sell his cattle at the current price.

This year 1.19 crore cattle have been prepared for Qurbani, up from 1.18 crore last year, according to the Department of Livestock Services.

Old Dhaka’s small businesses demand speedy disbursement of stimulus funds

FROM PAGE B4

He also called for waiving VAT on locally made capital machinery and businesses providing repairing services. Apart from fiscal support, a few non-fiscal assistances will also help SMEs, he added.

Most of the CMSMEs in Old Dhaka do not have bank accounts, said Mohammad Jalal Uddin, president of the Bangladesh Bread Biscuit and Confectionery Makers Association. He said 95 per cent of SMEs were good borrowers and successfully repaid their loans.

He called upon banks to give loans to CMSMEs without bank accounts based on recommendations of the respective business bodies. There are 5,000 bakeries in Bangladesh out of which only 270 are in operation.

Without fiscal assistance, small

industries in Old Dhaka will face a big problem, he said.

Jalal informed that 1,000 bakeries in Dhaka generated employment for 2 lakh people.

The main problem in Old Dhaka is traffic congestion, he added. He also requested the government to allow CMSMEs to pay all utility bills through equal instalments in the next six months.

Most of the CMSMEs are unable to fulfil all requirements of banks, said Md Golam Mawla, president of Bangladesh Edible Oil Wholesalers Association. He also said entrepreneurs of this sector were yet to get fiscal support from banks.

Entrepreneurs engaged in manufacturing consumer items need large investments and so they need financial support at this time, he said.

AmCham to award TV, print journals for pandemic efforts

FROM PAGE B4

Winners will be selected after careful assessment by “a highly reputed” selection committee before being awarded in a future programme.

Amid the Covid-19 pandemic, journalists across the globe are facing numerous challenges when discharging their duties, such as field reporters dealing with the risk of infection.

However, they continue to spread awareness on cautionary measures while combating misinformation, confusion and panic by providing accurate reports.

In a statement the AmCham said the award was a continuation of its

commitment to support society.

AmCham believes that this initiative would motivate the journalists’ community and further highlight their major contributions to Bangladesh’s fight against the coronavirus fallout.

Information Minister Mohammed Hasan Mahmud attended the virtual conference as chief guest while JoAnne Wagner, deputy chief of mission at the US embassy in Bangladesh, was a guest of honour. AmCham President Syed Ershad Ahmed was in the chair as Vice President Syed Mohammad Kamal moderated the programme and briefed participants on the award’s specifics.

Old Dhaka's small businesses demand speedy disbursement of stimulus funds

STAR BUSINESS REPORT

Businesses in Old Dhaka yesterday demanded speedy disbursement of the government-announced stimulus package for cottage, micro, small and medium enterprises (CMSMEs).

These entities, thousands of which are located in Old Dhaka, have been struggling to survive on being badly impacted amid the Covid-19 fallout.

The demand came at a virtual meeting organised by the Dhaka Chamber of Commerce and Industry (DCCI) on the current situation of Old Dhaka's businesses.

Some 13 million CMSMEs account for 25 per cent of Bangladesh's GDP and 35.5 per cent of total employment, said Shams Mahmud, the DCCI president, while moderating the event.

Their contribution to export earnings also range from 75 per cent to 80 per cent but the sector has been hit hard by the pandemic while banks are reluctant to disburse loans from the stimulus package.

The CMSMEs sometimes face challenges in access to finance, market linkage, product standardisation, modern technology and training and for a lack of skilled manpower, according to a statement from the DCCI.

Small entrepreneurs still want to pay VAT and tax but they want to avail instalment facility to cope with losses, said Mahmud. "Moreover, we need to find out alternative sources of financing besides banks," he said.

The DCCI plans to sit with the banks to try to figure out the procedures SMEs need to take to be eligible for bank loans from the stimulus package, informed Mahmud.

He also urged the government to announce 2021 as the year of the CMSMEs sector. "We want to come out of this situation. We need SME linked FDI policies to make CMSME



KEY POINTS

- » Old Dhaka businesses call for speedy disbursement of bailout package
- » They want to pay VAT and taxes in instalments
- » They want to keep shops open till 8pm instead of 7pm
- » Their sales fell **35%** due to pandemic
- » Water logging and traffic congestion affect old Dhaka businesses
- » More than **13m** MSMEs contributing **25%** to GDP and **35.5%** to employment
- » MSMEs' contribution to export earnings is **75-80%**

sector grow further," he added.

Small enterprises come together to create a big conglomerate and large businesses are mostly dependent on SMEs, said Hossain Khaled, managing director of the Anwar Group of Industries.

"We have to create employment

opportunities as it is the main concern now in a country like Bangladesh. Due to the Covid-19 pandemic our sales have come down by 35 per cent, which will have negative ripple effects," he said.

Unbanked SMEs might not be able to benefit from the stimulus, which is a challenge,

he said. "We need to bring the unbanked entrepreneurs in the banking channel," he added.

Terming Old Dhaka the centre of business, he said reducing the cost of doing business was necessary for survival at this time. Making 25 per cent of the government's e-procurements

from CMSMEs should be made mandatory, he emphasised.

"Our manufacturing sector is by and large import based, Khaled said, underscoring the need for easing complex procedures of import.

During this crisis, SME Foundation now should be more active and Bangladesh Bank can introduce a refinancing scheme with a 1.5 per cent to 2 per cent interest rate for the SME sector, he said.

"We were not able to sell any product during this time of pandemic," said Md Alaaddin Malik, president of Local Garments Manufacturers Association.

"This sector has been hit hard. We are also not getting adequate support from banks to get loan from the stimulus package." Dyeing and embroidery traders are linked with this sector so they also need financial aid, he said.

Due to unbearable traffic congestion, Old Dhaka is losing customers day by day, he added, requesting to let shops remain open till 8:00pm instead of 7:00pm.

There are 120 industrial units in Keraniganj BSCIC industrial area and closures prompted many employees to go home, most of whom are yet to come back, said Hossain A Sikder, president of Dhaka Shilpa Malik Samity.

Some 80 per cent of export-oriented industrial units in the BSCIC area are closed due to a lack of demand, he said.

Moreover returnee migrants will put pressure on the existing unemployed workforce. At this time, financial support from the banks will help ease the crisis, he added.

Md Abdur Razzaque, president of Bangladesh Engineering Industry Owners' Association, requested the government to defer VAT and electricity bill payments for a year. This association represents 40,000 members.

READ MORE ON B3



Another day of disappointment begins as day labourers continue to wait patiently lest they miss anyone seeking an extra pair of hands. It was just a handful of times over the past couple of months that they could earn a day's pay of Tk 400 to Tk 500. The photo was taken on DIT Road in the capital's Rampura recently.

SK ENAMUL HAQ

NBR plans to install more luggage scanners at ports

SOHEL PARVEZ

The customs authority plans to install more luggage scanners at all air and land ports in a bid to curb smuggling and free travellers of the hassle of discretion-based checks at arrival and departure gates.

Initially, 10 luggage scanners and five human body scanners have been slated for purchase while eventually more will be installed to strengthen automated checkpoints and stem the flow of contraband, according to a senior official of the National Board of Revenue (NBR).

"We are considering installing scanners at all customs stations across the country," the official said, adding that the first 15 scanners would likely be bought within the current fiscal year.

Hazrat Shahjalal International Airport in Dhaka, Bangladesh's largest airport, handles around 20,000 travellers on a daily basis with just six luggage scanners while Shah Amanat International Airport in Chattogram



has only four scanners in operation.

Meanwhile Benapole Land Port, the country's most active land port, has two scanners and Osmani International Airport in Sylhet has one.

Related officials said once the new scanners were in place, luggage would be scanned for signs of suspicion before being taken for further examination if needed as opposed to

being manually searched.

Besides, the need to conduct body searches at these ports will decline following the installation of automated scanners at customs areas.

The new machinery will mainly be installed at the Dhaka, Chattogram and Sylhet airports, according to an official.

READ MORE ON B2

Number of e-GP tenders crosses 4 lakh

STAR BUSINESS REPORT

The number of tenders invited online in Bangladesh has gone past four lakh in an indication of the country's race towards digitalisation.

This is a landmark achievement of the electronic government procurement (e-GP) system introduced by the Central Procurement Technical Unit (CPTU) of the Implementation Monitoring and Evaluation Division, according to a press release. Prime Minister Sheikh Hasina rolled out the e-GP portal in 2011 as part of digitalising public services. Now, the total value of the tenders is Tk 410,000 crore.

E-GP is a web-based system, which encompasses the total procurement lifecycle and records all procurement activities. Its purpose is to maintain complete and up-to-date public procurement system activities of all public agencies as well as provide tender opportunities to all potential tenderers from Bangladesh and abroad.

In 2011, the online tendering was piloted in four large procuring agencies such as the Local Government Engineering Department, the Roads and Highways



Department, the Bangladesh Water Development Board and the Bangladesh Rural Electrification Board.

Building on the success of piloting, the CPTU started implementing the e-GP across the government procuring agencies from 2012.

READ MORE ON B3

AmCham to award TV, print journo for pandemic efforts

STAR BUSINESS REPORT

Journalists of national dailies and television broadcasting agencies who have put their own lives at risk to keep people informed amidst the ongoing coronavirus crisis will be recognised with an AmCham Frontline Journalism Award for their valiant efforts.

The American Chamber of Commerce in Bangladesh (AmCham) announced launching the award, a joint initiative of the non-profit organisation and Masthead PR, during a virtual conference held yesterday.

To win the award, journalists from national media houses, either print or television, will have to submit their generic or business reports related to the pandemic, which were published anytime between March 1 and August 31, 2020.

However, the reports must focus on either of two perspectives: the pandemic's impact on humanity and general livelihoods or its effect on the business sector. The deadline for submissions is September 6, 2020.

READ MORE ON B3

Int'l collaboration ensures quality of locally made medical gowns



From left, Workers producing safe gowns at the factory of Snowtex Group in Dhamrai. Gowns made using Japanese technology are being inspected.

JAGARAN CHAKMA

A local garment maker has started manufacturing medical gowns whose quality has been ensured through an international collaboration of public and private entities.

Over 3,000 of these gowns made by Snowtex Group were provided to frontline healthcare workers dealing with the Covid-19 pandemic in Dhaka, Cox's Bazar and Narsingdi yesterday by Japan International Cooperation Agency (Jica).

The collaboration came about under a project aimed at establishing a quality control system for personal protective equipment (PPE).

The Directorate General of Drug Administration (DGDA) is leading the technical working group to establish a quality control

system for PPE.

With global demand for PPE soaring amidst the pandemic, setting the standard was crucial for establishing the acceptability of the product and diversifying the country's exports.

This "technical working group" comprised representatives of World Health Organization, the Bangladesh University of Engineering and Technology, USAID, Jica and Japanese garment inspection company K2.

The group provided intensive monitoring and technical assistance for the gown's production in the past couple of months.

Running business in Bangladesh for over a decade, K2 was engaged by Jica to provide expertise, particularly in the area of physical inspection of PPE, and spearhead hands-on



PHOTO: COLLECTED

training with Snowtex Group.

The quality of the gowns, including the fabric used, is based on the DGDA's strict standards while the final products were inspected thoroughly using leading Japanese technology, said a Jica official.

The initiative will do well to promote the local economy, the official told The Daily Star.

Bangladesh is well known for its huge garment industry, which witnessed a large number of layoffs when the pandemic hit hard.

"I hope this will benefit all – not only health workers and garment factory workers but all the Bangladeshi people – in halting the spread of Covid-19," said Yuho Hayakawa, new chief representative of Jica Bangladesh.

READ MORE ON B2