

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 3.57%	▲ 3.62%	\$2,055.00	\$45.63	▲ 0.96%	▼ 0.43%	▲ 1.04%	▲ 0.26%	BUY TK 83.95	98.50	109.15	11.86
4,364.83	7,512.72	(per ounce)	(per barrel)	38,025.45	22,418.15	2,559.10	3,386.46	SELL TK 84.95	102.30	112.95	12.47

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Garment export orders rolling in once again

REFAYET ULLAH MIRDHA

It appears garment manufacturers are at last breathing a sigh of relief as work orders for apparel items from international retailers are coming back with the reopening of their stores in the European and American markets.

The signs of recovery for the garment sector are also evident in the export figures of July when Bangladesh earned \$3.24 billion from apparel shipment though the amount is 1.98 per cent lower than a year earlier.

However, garment export receipts in July are 14.18 per cent higher than the monthly target of \$2.84 billion.

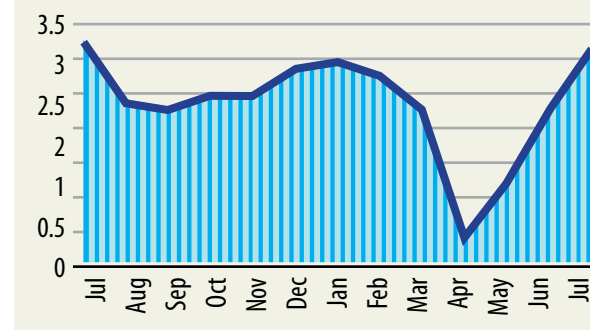
Of the total garment shipment, knitwear exports grew 4.30 per cent year-on-year to \$1.75 billion while woven exports fell 8.43 per cent to \$1.49 billion, according to data from the Export Promotion Bureau.

Earnings from apparel shipment in April, May and June stood at \$0.37 billion, \$1.23 billion and \$2.28 billion respectively.

Personal protective equipment (PPE), masks and other hospital textiles made it to the list of new export items for Bangladesh as a good number of buyers are placing work orders for these items amid the coronavirus pandemic.

Garment exports finally picking up

(in \$b); SOURCE: EPB



If more retail stores reopen in Europe and the US, garment exports from Bangladesh will grow further as the pandemic has failed to dampen the demand for basic apparel items, exporters said.

Sweater factories have now put their best foot forward to meet the deadline for the shipments of August, September and October, said Mostafa Sobhan Rubel, managing director of Dragon Sweaters.

"My factories are fully booked until the end of September and my customers have also booked 60 per cent of my capacity from October towards the end of December," Rubel said, adding that they have been able to completely reinstate more than 90 per cent of the cancelled orders.

Abdullah Al Mahmud Mahin, managing director of Mahin Group, said he did not face any work order cancellation and currently, his factory is utilising more than 70 per cent of its capacity.

Work orders have been rising since mid-July at his factory.

If the current state of business continues, Mahin's company's earnings this year might be 20 per cent less than last year's, but if a coronavirus vaccine arrives by mid-September, they will witness about a 15 per cent jump in profit.

"I am very much optimistic that a huge number of work orders will come to Bangladesh if a vaccine is available by mid-September," said Mahin, who supplies fabrics to renowned brands worldwide.

AK Azad, managing director of Ha-Meem Group, said his factories are running at more than 60 per cent capacity at present.

READ MORE ON B2

The stunning fall from grace of Keya Cosmetics, a once beloved brand

Keya Cosmetics has been on the slide for the past two years



AHSAN HABIB

Keya Cosmetics becomes a textbook case of how a high-flying company falls from grace in fits and starts.

Even when the manufacturers of hygiene products and toiletries were making higher profits thanks to increased demand due to the coronavirus pandemic, Keya Cosmetics remains an exception and brings no good news for its shareholders.

Reckitt Benckiser Bangladesh, a company of almost the same kind, witnessed a 54 per cent leap in its profits and 29 per cent jump in sales in the first half of 2020.

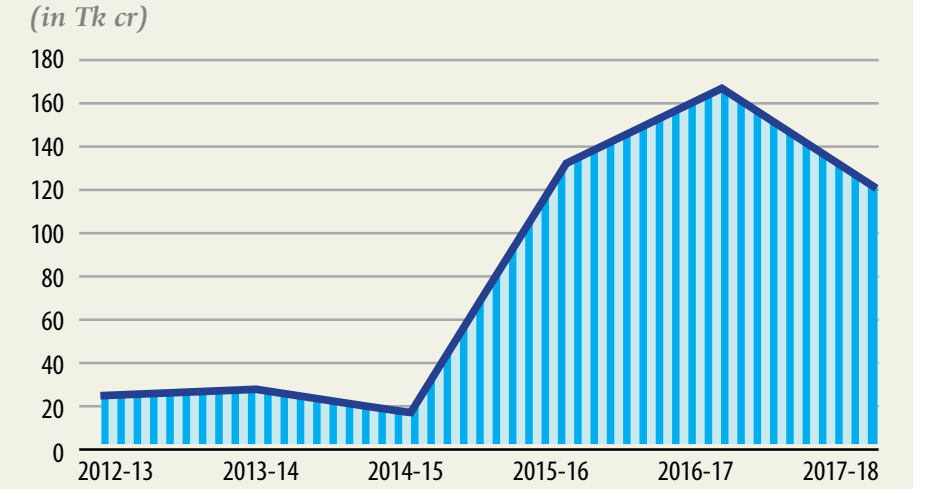
Keya Cosmetics, which had provided 10 to 50 per cent dividend to its shareholders since its listing with the bourses in 2001,



has of late been making no disclosures that could be a sight for sore eyes.

Incorporated in 1996, the company has been announcing repeatedly to its shareholders that its sponsors, including Chairman Abdul Khaleque Pathan, want to offload their shares.

Keya Cosmetics' net profit over the years



As a result, the sponsors' shareholding dropped to 46.27 per cent on 30 June 30, from 62.77 per cent on 30 June 2017. Now, the sponsors cannot even sell their shares due to a poor demand.

In an effort to reduce costs, the company also shifted its corporate office from Banani to Gazipur, adjacent to its factory.

As the company has not been publishing its quarterly reports since the 2016-17 financial year, the stock market regulator fined its directors Tk 1 lakh each in 2018.

In spite of that, the cosmetics and toiletries maker did not bring out any quarterly report until now, except making a sudden announcement to provide 10 per cent stock dividends for the year that ended on 30 June 2018.

After that, it had again gone into hibernation.

On top of that, Financial Reporting Council (FRC), the regulator for establishing standards of financial reports in Bangladesh, found that Keya Cosmetics announced dividend on the basis of fake earnings.

"Its balance sheet was overvalued by more than Tk 1,000 crore and the amount might be laundered," said Md Sayeed Ahmed, executive director of the FRC.

Keya Cosmetics exported products to its own company in Europe, but the export proceeds have yet to arrive.

"Meanwhile, the earnings have been shown in its profits, so we suspect the money might have been laundered."

READ MORE ON B2

The question hounding banks: how to solve a conundrum like SME loan?

AKM ZAMIR UDDIN

In 2001, with a vision to provide banking solutions to the 'unbanked' small and medium entrepreneurs, Brac Bank began its journey.

The lender introduced small-ticket loans to the cottage, micro, small and medium enterprises (CMSME) to specifically bring the grassroots entrepreneurs under the umbrella of formal banking services.

Over the years, riding on the disbursement of CMSME loans, the bank also bagged a hefty profit as the small borrowers are seemingly more disciplined than their large and corporate counterparts when it comes to paying back the fund in time.

The model has subsequently motivated others to provide loans to CMSME entrepreneurs on a greater scale, helping them register good returns from the initiative in the process.

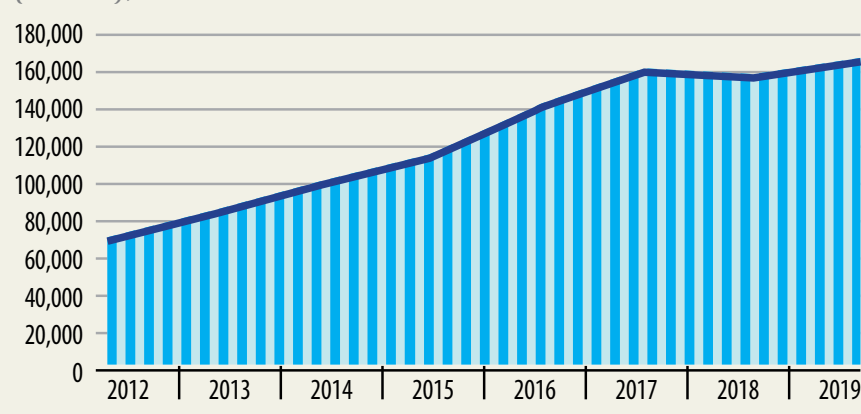
However, lenders are now in peril due to the economic meltdown brought on by the ongoing coronavirus pandemic while the central bank has imposed an interest cap of 9 per cent on all loans, including those for the CMSME sector.

For instance, Brac Bank's net profit crashed 40 per cent year-on-year to Tk 152 crore in the first half of this year.

The total value for outstanding loans

SME loan disbursement levelled off in recent years

(in Tk cr); SOURCE: BB



with the bank stands at about Tk 26,000 crore, of which 47 per cent was distributed to the CMSME sector.

The instance of declining profits in Brac Bank is not a solitary case as the Association of Bankers, Bangladesh (ABB), an organisation of managing directors of all banks, claimed that average revenue of most of the banks had already plummeted between 20 and 35 per cent due to the interest rate cap and the pandemic.

Even with the tremendous support received from the government to tackle the ongoing recession, banks are now facing a new challenge in running their credit programmes for the SME and retail sectors, according to ABB.

Subsequently, on 12 July, the organisation sent a letter to the central bank governor expressing grave concern over the future of the country's CMSME sector.

"This trend in access to finance will face

What SME loans cost banks...

- Weighted average cost on deposit: **5.4%**
 - Average operating cost: **3%**
 - Minimum credit loss cost: **2%**
 - General provision cost: **0.25%**
- Total cost for SME loan: 10.6%**
- This is much higher than the interest rate cap of **9%**

SOURCE: ASSOCIATION OF BANKERS, BANGLADESH

a major blow with a lending rate cap of 9 per cent as banks cannot afford to lend to the SME sector at that rate due to the high cost of lending and loan monitoring," ABB said.

READ MORE ON B3

Is the pandemic bringing down the curtains on independent bookstores and publishers?

SOHEL PARVEZ

Redwanur Rahman Jewel's dreams had come true when he opened his bookstore in May last year as it soon turned into a veritable hub for readers and writers alike.

However, little more than a year after the library was opened, Jewel's dreams were shattered.

On 27 July, Jewel closed down his bookstore 'Nalonda' after failing to sustain the business following a nosedive in sales during the recently concluded nationwide shutdown of all economic activities that began on 26 March to flatten the curve on coronavirus.

While the curve was not flattened, the livelihoods of many like Jewel's were snuffed out for good.

"Not one book enthusiast showed up and so, we could not make a single penny during the lockdown while the situation was similar in June. So, we decided to shut down the business as it not possible to carry on while incurring heavy losses every month," he added.

Operating the 900 square-foot shop located at the capital's Elephant Road near the Kataban intersection required Tk 100,000 in monthly expenses, including Tk 55,000 as rent.

On normal business days, the owner could make up the expenses from his sales, leading

Jewel to believe that they would be able to make some margin in the July-August period were things going well.

"Our store had begun to become popular," said Jewel, who is also a publisher.

Nalonda perhaps best exemplifies how Bangladesh's creative publishing sector has so far coped with the ongoing crisis thrown up by the rogue pathogen originating from Wuhan, China.

The pandemic has put the existence of the large number of small publishers and bookstores in Bangladesh into question.

Bangladesh has nearly 250 regular publishers of creative books that publish nearly 5,000 titles annually, mainly to mark the month-long annual book fair, the Ekushey Boi Mela.

The fair offers publishers with the scope to display and sell new books and reprints. Nearly Tk 100 crore worth of books are sold during the exposition each year.

However, there is no proper estimate of book sales for the rest of the year.

The amount is likely to be about Tk 400 crore, said Farid Ahmed, president of the Academic and Creative Publishers Association of Bangladesh (ACPAB), while sharing his guesstimate.

After the event concludes at the end of February, publishers engage in marketing and



The ongoing pandemic has compelled nearly 10 per cent of the country's bookstores to shut their operations due to a drastic fall in income. The photo was taken from the capital's Elephant Road at the end of July, when Nalonda bookshop was closing its doors.

PRABIR DAS

distributing books to retailers in March and April.

However, the coronavirus outbreak and the subsequent shutdown has seriously hampered that regular tradition. Not only have stores been shut, but purchases from educational institutions have also been affected by the closure.

"Books that were supposed to be distributed have remained in stock," said Ahmed, also the proprietor of Somoy Prakashan.

Sales tumbled amid shutdown but demand began to recover in June after the country reopened. However, overall sales remained lower than what it was a year earlier, according to various publishers.

The ratio of sales to losses varies from publisher to publisher with some calculating the slump in turnover to be as much as 60 per cent year-on-year.

The ACPAB president estimated that overall, businesses lost about Tk 200 crore to Tk 250 crore in creative book sales in the April-July period.

If the drop in sales for all books, including creative, academic and other related books are taken into consideration, the total value lost to pandemic would be between Tk 2,500 to Tk 3,000 crore, said Shamal Paul, vice-president of the Bangladesh Publishers & Book Sellers Association (BPBSA).

READ MORE ON B3

US job market recovery appears to be slowing

REUTERS, Washington

US private employers hired far fewer workers than expected in July as companies exhausted loans to help with wages and new COVID-19 infections flared up across the country, supporting the view that the nascent economic recovery was faltering.

While other data on Wednesday showed activity in the vast services sector gained momentum in July as new orders raced to a record high, hiring declined. The reports, together with a recent rise in applications for unemployment benefits, suggest job growth pulled back sharply in July. The Labor Department will publish July's employment report on Friday.

The economy will remain at risk of a renewed downturn so long as a vaccine or therapeutic for the virus remains out of reach," said Oren Klachkin, lead U.S. economist at Oxford Economics in New York. The ADP National Employment Report showed private payrolls increased by 167,000 jobs last month after jumping by 4.314 million in June. Economists polled by Reuters had forecast private payrolls would increase by 1.5 million in July.

Hiring weakened across the board last month. Payrolls for medium-sized businesses with 50 to 499 employees fell 25,000. The sharp step-down in hiring was attributed to the expiration of the U.S. government's Paycheck Protection Program (PPP) and the resurgence in coronavirus cases. The PPP was part of a historic fiscal package worth nearly \$3 trillion that gave businesses loans that can be partially forgiven if used for employee pay. New cases of the respiratory illness have exploded, especially in the densely-populated South and West regions where authorities in hard-hit areas are closing businesses again and pausing reopenings.

Garment export orders rolling in once again

FROM PAGE B1

"My buyers have started placing work orders and gradually the volume of work orders is increasing."

Of the cancelled work orders, his buyers have already taken back 50 per cent of them and promised to take another 30 per cent.

The remaining 20 per cent should be sold at cheaper prices to other buyers, Azad added.

"I am currently utilising 65 per cent of my capacity. About 80 per cent of my work orders remained unaffected during the pandemic while 20 per cent or less have been reinstated," said KM Rezaul Hasanat, chairman and chief executive officer of Viyellatex Group, another leading garment exporter.

PPE is a small fraction of the clothing business and it cannot even cover 10 per cent of the total exports, he added.

"COVID-19 has affected the garment sector in various ways. Initially, it broke the supply chain as we are reliant mostly on China for most of our raw materials," said Sheikh Mohammad Danial, managing director of Finesse Apparels.

But exports are now bouncing back, he said, adding that the queries from brands in Europe and the US have jumped.

If the current trend in Europe continues, Bangladesh will start to see stronger export figures from the first quarter of 2021. More clothes are being bought online, with a massive 76 per cent rise in online sales in the US, he said.

"This is the new reality for which we need to be prepared," he added.

Work orders were slowly coming back but knitwear sector is doing better than woven products, said Azimul Islam, managing director of Alif Group.

"But the major threat is the second wave of the coronavirus infection in the Western market. If that happens, it will be a bigger disaster for us."

His knitwear factory is running at 70 per cent capacity and the woven one at 60 per cent. About 70 per cent of the cancelled work orders are being taken back but at a heavy discount and deferred payment terms, Islam added.

"It's too early to make a positive remark on the inflow of new orders since many factories are still struggling to survive due to financial hardships," said Arshad Jamal Dipu, vice-president of the Bangladesh Garment Manufacturers and Exporters Association (BGMMEA).

New orders are coming but at a slow pace.

"We would also need to see at what price levels these new orders are being placed."

It's difficult to respond since not all factories, which participated in the initial survey reporting \$3.18 billion cancellations, provided follow-up data.

"But we tracked suppliers to a few buyers around a month ago and found that 45 per cent of about \$900 million worth of orders were reinstated, and by now this figure might have gone higher."

But the payment term is not pleasant, with deferred payment as high as 180-plus days, and discounts may also be common, he added.

The stunning fall from grace of Keya Cosmetics, a once beloved brand

FROM PAGE B1

When sponsors of a company want to sell their shares they tend to overvalue their profits and give stock dividends that are provided in the form of shares instead of cash.

The FRC asked the company in February last year about the over-valuation of its profits, but is yet to get any response.

The company did not hold annual general meetings in the last two years showing lame excuses, though listing regulations bind all companies to hold AGM regularly, Ahmed added.

Against the backdrop, stock investors who own 44.48 per cent shares in the company have been put in a tight corner.

"Why a once-reputed company like this plunged into such a bad situation should be investigated by the Bangladesh Securities and Exchange Commission," said Md Masud Alam, a stock investor.

The company won the national export trophies in 2002-03, 2003-04 and 2004-05.

"I think it might have fallen into trouble due to amalgamation with its other non-listed ventures," Alam said.

Keya Cosmetics amalgamated with Keya Detergent and Keya Soap Chemicals in 2010 and then with three other companies -- Keya Spinning Mills, Keya Cotton Mills, and Keya Knit Composite -- in 2015.

Before the amalgamation in 2010, Keya Cosmetics' earnings per share was Tk 5.26, which dropped to Tk 1.55 in 2013.

After 2015, the company became irregular in publishing annual reports and holding AGMs.

Ahmed, who is also a former deputy managing director of Pubali Bank, found four reasons behind the fall of the company.

Firstly, the company had no corporate culture and it was run by relatives of the company chairman.

Secondly, the company fell into problems in 2010 when cotton prices in the world market became volatile and the company purchased a huge amount of cotton at a very high price.

Thirdly, the company borrowed a huge amount of money from banks so its debt burden was skyrocketing along with interest.

The company's long-term loan was Tk 859.85 crore and short-term loan Tk 634.45 crore, according to its annual report for the 2016-17 financial year.

And fourthly, the company's chairman stayed abroad for a long time and so local production was not taken care of properly.

Some of the products of Keya Cosmetics had won the hearts of customers and these were among the top selling products even a few years ago. But now, their demand has fallen drastically, said a top official of a leading cosmetics producer, requesting anonymity.

The biggest blow came when its chairman was arrested by the Anti-Corruption Commission on charges of loan fraud involving Tk 110 crore. The loan was taken for its concern Keya Yarn Mills from state-owned Bangladesh Krishi Bank.

Pathan, now on bail, did not respond to phone calls and text messages from The Daily Star yesterday.

A top official of the BSEC said they already fined the company for not publishing financial reports.

"The company is under the scanner. Our team is working on it as it is breaching rules again and again," the official said, asking not to be named.

Stocks of Keya Cosmetics, whose paid-up capital is Tk 1,002 crore, closed at Tk 3.10 in the Dhaka Stock Exchange yesterday, up 6.7 per cent from the previous day.

France to provide €150m to bounce back from downturn

FROM PAGE B4

The AFD, also known as the French Development Agency, works to fight poverty and promote sustainable development by implementing policies defined by the French government around the world.

Since 2012, the AFD has been involved in several projects in urban development and infrastructure as well as the power and green energy sectors.

Besides, the Paris-based financial institution also prioritises corporate and social responsibility.

As of 2020, the AFD had committed €761 million to Bangladesh, which includes €25 million in the form of grants.

Through the new loan and an upcoming grant of €1 million (2050 facility), the AFD will contribute to the improvement of Bangladesh's resilience to climate change adaptation by reinforcing the social protection system.

Walton is a household name in Bangladesh. Now it wants the world to take to its products.

FROM PAGE B4

To meet the ever-increasing demand for highly efficient, lightweight and cost-effective compressors, its research and development team is working to develop a new series of high COP (coefficient of performance) inverter compressor that will set a new standard of performance all over the world and will be introduced by the end of 2021.

"Once we had some limitations in developing modern technology. But now, we have complete R&D facilities comprising highly trained and skilled engineers from home and abroad. So, our quality has developed massively in the last five years."

The company has a laboratory named NASDUT-LITS that maintains global standards and certification for quality testing.

Its certification covers at least 80 per cent of

the countries for quality, safety, including of the environment, energy efficiency and many more.

"We had to spend at least 10 years building up this infrastructure, which in other places is built by the state."

Alam recommended ensuring a level playing field for every industry, saying it is necessary for businesses to flourish, create enough jobs, reduce import costs and give a boost to economic prosperity.

"Though many timely initiatives of the government geared up the development of the local industries, there are more things to improve and policies to amend."

He highlighted that the import duty on some hi-tech products and components were higher than the imported finished goods, a situation which halts the progress of the local industry and, to some extent, discourages

entrepreneurs.

Alam cited the example of Taiwan, where the government authorities highly encourage industrialisation and create a level playing field for local producers.

The country has an authority that stays tuned to the needs of entrepreneurs and analyses which sector needs what policy support, for which the nation's exports is big in context to its population.

Taiwan's exports amounted to \$329.3 billion in 2019 when their population is 2.36 crore, according to the World Bank data.

Bangladesh has huge potential as business relations among the US, China and India are deteriorating.

So, the government needs to provide suitable policy support now for industries to flourish and grab the opportunity, he added.

Government of the People's Republic of Bangladesh
Office of the Project Director
Maternal, Neonatal Child Health (MNCH) and Health System Improvement Project
Ministry of Health and Family Welfare
Room No. 18, Department of Radiology & Imaging
Dhaka Medical College Hospital, Dhaka
Phone: +880-13-17271252

Invitation for Bids

Date: 7th August 2020
Loan Agreement No. BD-P83
IFB No. JICA/SDIS/485/C.W/7 D.M.C.H/P-WD1/2020/675 Dated: 05/08/2020

- Government of the People's Republic of Bangladesh has received a loan from Japan International Cooperation Agency (JICA) towards the cost of Maternal, Neonatal Child Health (MNCH) and Health System Improvement Project. It is intended that part of the proceeds of this loan will be applied to eligible payments under the contract for Component 2: Strengthening of Diagnostic Imaging System of 7 Division Medical College Hospitals, WD1 New Construction of Imaging Diagnostic Centers in 7 Division Medical College Hospitals.
- Project Director (Procuring Entity) on behalf of the Directorate General of Health Services, Ministry of Health and Family Welfare now invites sealed Bids from eligible Bidders for the construction and completion of Component 2: Strengthening of Diagnostic Imaging System of 7 Division Medical College Hospitals, WD1 New Construction of Imaging Diagnostic Centers in 7 Division Medical College Hospitals ("the Works").
- Bidding will be conducted through the procedures in accordance with the applicable Guidelines for Procurement under Japanese ODA Loans. International Competitive Bidding is conducted in accordance with JICA's Single-Stage Two-Envelope Bidding Procedures and is open to all Bidders from eligible source countries.
- Interested eligible Bidders may obtain further information from and inspect the Bidding Documents at the Office of Project Director (Procuring Entity) for Component 2: Strengthening of Diagnostic Imaging System of 7 Division Medical College Hospitals, Address: Room No. 18, Department of Radiology & Imaging, Dhaka Medical College Hospital, Dhaka, Bangladesh, Telephone: +880 13 17 271 252, E-mail: pd.mnch.sdis@gmail.com
- A complete set of Bidding Documents may be purchased by interested Bidders on the submission of a written application to the address above and upon payment of a non-refundable fee of BDT 50,000 (Bangladesh Taka fifty thousand only) in cash at the Office of Project Director (Procuring Entity) between 9:00 and 14:00 hrs on all working days from 8th August to 23rd August 2020.
- Interested eligible Bidders who have purchased bid document are invited to attend a Pre-Bid meeting to be held at 10:00 hrs on 24th August 2020 at Dhaka Medical College Hospital. Participation in this pre-bid meeting is not a mandatory requirement but encouraged for submission of Bid.
- Bids must be delivered to the address of two (2) alternatives, Central Medical Stores Depot, the Directorate General of Health Services, Ministry of Health and Family Welfare, Dhaka, Bangladesh or the Office of Project Director (Procuring Entity), Address: Room No. 18, Department of Radiology & Imaging, Dhaka Medical College Hospital, Dhaka, Bangladesh on or before 12:00 hrs (Bangladesh Standard Time on 21st September 2020 and must be accompanied by a security of Bangladeshi Taka 68 million (BDT 68,000,000) or Japanese Yen 97 million (JPY 97,000,000) or US Dollar 877 thousand (USD 877,000).
- Bids will be opened in the presence of Bidders' representatives who choose to attend at 15:00 hrs (Bangladesh Standard Time) on 21st September 2020 at the offices of the Project Director.

Prof. Dr. Md. Mizanur Rahman
Project Director
MNCH and Health System Improvement Project (Component 2: Strengthening of Diagnostic Imaging System of 8 Division Medical College Hospitals), Dhaka-1000

GD-1225

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার
বাংলাদেশ পুলিশ
পুলিশ সুপারের কার্যালয়
মনিরকণ্ঠ

দরপত্র বিজ্ঞপ্তি

দরপত্র বিজ্ঞপ্তি নং ০২/২০২০-২০২১ (রেশন স্টোর)

"পাবলিক প্রকিউরমেন্ট বিধিমালা/২০০৮ ও পাবলিক প্রকিউরমেন্ট বিধিমালা/২০১১ (সংশোধিত)" অনুসারে জেলা পুলিশ, মনিরকণ্ঠ-এর ২০২০-২০২১ অর্থ বছরের ২য় কোয়ার্টারের (অক্টোবর/নভেম্বর/ডিসেম্বর/২০২০ মাস) এবং এনএসআই ও মুক্তিযোদ্ধা সদস্যদের ২০২০-২০২১ অর্থ বছরের ১ম প্রজিক্টের (জুলাই/২০ হতে ডিসেম্বর/২০) জন্য বিভিন্ন রেশন সামগ্রী ক্রয়, গম পেছাই কাজ, পুলিশ ও অন্যান্য সেবা কাজ সম্পন্ন করার লক্ষ্যে নিম্নবর্ণিত শর্ত সাপেক্ষে সীলমোহরযুক্ত বামে দরপত্র আহ্বান করা যাচ্ছে।

১. মন্ত্রণালয়/বিভাগ	স্বরাষ্ট্র মন্ত্রণালয়/পুলিশ বিভাগ।
২. সন্থা	বাংলাদেশ পুলিশ।
৩. দরপত্র সম্পাদনকারী প্রধান	পুলিশ সুপার, মনিরকণ্ঠ।
৪. কি কারণে দরপত্র আহ্বান	জেলা পুলিশ, মনিরকণ্ঠ-এর রেশন সামগ্রী ক্রয় ও অন্যান্য সেবা কাজ।
৫. দরপত্র সূত্র নং	২০২১/৫।
৬. তারিখ	তারিখ: ০৩-০৮-২০২০ক্রি।

কাজের বিবরণ

৭. দরপত্রের পদ্ধতি	উন্মুক্ত দরপত্র (OTM)।
৮. বাজেট ও অর্থনৈতিক স্বাতন্ত্র্য	স্বাধীন স্বাতন্ত্র্য।

তথ্যাদি

৯. দরপত্রের বিজ্ঞপ্তি প্রকাশের তারিখ	০৩-০৮-২০২০ক্রি।
১০. দরপত্র দাখিল বিজ্ঞপ্তির শেষ তারিখ	২৬-০৮-২০২০ক্রি ১৪:০০ ঘটিকা পর্যন্ত।
১১. দরপত্র ক্রয় প্রদানের (সিডিউল ক্রয়) সর্বশেষ তারিখ ও সময়	২৭-০৮-২০২০ক্রি ১২:০০ ঘটিকা।
১২. দরপত্র খোলার তারিখ ও সময়	২৭-০৮-২০২০ক্রি ১২:০০ ঘটিকা।
১৩. দরপত্র মূল্যায়নের তারিখ ও সময় এবং স্থান	০২-০৯-২০২০ক্রি ১১:০০ ঘটিকা, পুলিশ সুপারের কার্যালয়, মনিরকণ্ঠ।

অফিসের নাম ও ঠিকানা

অফিসের নাম ও ঠিকানা	দরপত্র সিডিউল প্রাক্কর স্থান
দরপত্র ডকুমেন্ট/সিডিউল বিক্রয়কারী অফিস	১। ডি.আই.জি. বাংলাদেশ পুলিশ, ঢাকা রেঞ্জ-এর কার্যালয়, ঢাকা। ২। পুলিশ রেশন স্টোর, পুলিশ হাট, মনিরকণ্ঠ। ৩। পুলিশ সুপারের কার্যালয়, মনিরকণ্ঠ।
দরপত্র গ্রহণকারী অফিস	১। পুলিশ সুপারের কার্যালয়, মনিরকণ্ঠ।
দরপত্র খোলার স্থান	১। পুলিশ সুপারের কার্যালয়, মনিরকণ্ঠ।
১৫. প্রি স্টেডার সজার স্থান, তারিখ ও সময়	

দরপত্র সম্পর্কিত তথ্য

১৬. দরপত্রের বোধ্যতা	১। হাসানাবাদ ট্রেন লাইনে ২। আয়কর সনদ ও জিএস টেক্সটাইল সনদ ও ৩। বায়ক সলভেন্ট সনদ ও ৪। জাতীয় পরিচয়পত্র ও ৫। অন্যান্য যোগ্যতা বাহা টেডার ডকুমেন্ট/দরপত্র দাখিল উল্লেখ আছে।
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ক্রমিক নং	মাসামাসের বিবরণ	আইটেম	পরিমাণ (কেজি/লিটার)	দরপত্রের মূল্য (টাকা) (অফারকরযোগ্য)	নিরাপত্তা জামানত (টাকা)	কাজ সম্পন্ন করার সময়
(১)	উন্নতমানের স্যানিটাইজিং তেল ক্রয়		২৫,৫০০ লিটার	৭৫০/-	৭০,০০০/-	কার্য সম্পাদন
(২)	উন্নতমানের ময়র ডাল ক্রয়		২৭,২৫০ কেজি	৭৫০/-	৯০,০০০/-	টুকিতে
(৩)	ফুলানি কাঠ ক্রয়		৩,০০০ কেজি (আনুমানিক)	৪০০/-	২,৫০০/-	উল্লেখিত তারিখ ও সময়
১৭.	গম পেছাই	চুলি কাজ চিনি-অনুমোদিত চিনি কল হতে এবং চাল ও গম- জেলা খাদ্য কলম হতে ট্রাকে উঠানো/রেশন স্টোরে নামানো	৯৭,৬০০ কেজি	৪০০/-	২০,০০০/-	অনুমোদিত
			২,১৭,৬০০ কেজি	৪০০/-	৩,৫০০/-	
(৬)	শোলা গর চাল ক্রয়		১,১৫০ কেজি	৪০০/-	৩,৫০০/-	

১৮. দরপত্র আহ্বানকারী কর্মকর্তার নাম
১৯. দরপত্র আহ্বানকারী কর্মকর্তার পদবী
২০. দরপত্র আহ্বানকারী কর্মকর্তার ঠিকানা
২১. দরপত্র আহ্বানকারী কর্মকর্তার সাথে যোগাযোগের মাধ্যম

জানা বিফাত বহমান শাহীম-পিপিএম।
পুলিশ সুপার, মনিরকণ্ঠ।
পুলিশ সুপারের কার্যালয়, মনিরকণ্ঠ।
ফোন: ০২৭৭১০৪০০, ফ্যাক্স: ০২৭৭১০৩০৬।

বিশেষ শর্তাবলী:

- (ক) নির্দিষ্ট সময়ের পর আর কোন দরপত্র গ্রহণ করা হবে না।
- (খ) কোন কারণে দরপত্রের ব্যক্তিগত কর্তৃত্বকে যে কোন দরপত্র গ্রহণ বা বাতিল করার ক্ষমতা সংরক্ষণ করেন।
- (গ) দরপত্র উল্লেখিত যে কোন আইটেমের পরিমাণ বৃদ্ধি বা কমানোর ক্ষমতা কর্তৃত্বক সংরক্ষণ করেন।
- (ঘ) দরপত্র সিপিআর/২০০৬, সিপিআর/২০০৮ ও সিপিআর/২০১১ (সংশোধিত) মোতাবেক সকল শর্তাবলী কার্যকর হবে।
- (ঙ) প্রতিনির্দিষ্ট মাছের দরপত্র দাখিল ক্রয় ও দরপত্র দাখিলের ক্ষেত্রে প্রতিষ্ঠান কর্তৃক যথাযথ ক্ষমতাস্বরূপ দাখিল করতে হবে।
- (চ) কর্তৃত্বক সর্বনিম্ন দর গ্রহণ করতে বাধ্য নহেন।

বিক্রয় বহমান শাহীম, সিপিএম-সেবা
ফোন নং-৭৩০৪১০০৯৯৯
পুলিশ সুপার
মনিরকণ্ঠ
ফোন: ০২৭৭১০৪০০, ফ্যাক্স: ০২৭৭১০৩০৬

তারিখ: ১২/৮



Berger Paints Bangladesh Ltd's Managing Director Rupali Chowdhury presides over the 47th annual general meeting of the company organised through a digital platform. Chairman of the Board Gerald K Adams along with directors Anil Bhalla, Jean-Claude Loutreuil, Anis A Khan, Masud Khan, Rishma Kaur, Kanwardip Singh Dhingra, Sunil Sharma, Parveen Mahmud, Abdul Khalek, Chief Financial Officer Sazzad Rahim Chowdhury also took part in the meeting. The company announced 295 per cent cash dividend for 2019-20.

MTB launches MRewardz Online to reward its credit cardholders

STAR BUSINESS DESK

Mutual Trust Bank has recently launched a state-of-the-art digital platform named MRewardz Online, which will enable the bank's credit cardholders to explore numerous redemption offers and avail different rewards, both locally and internationally.

The credit cardholders can redeem MRewardz points through the portal—mrewardz.mutualtrustbank.com—instantly, anywhere and anytime, the bank said in a statement yesterday.

With MRewardz Online, they will be able to book air tickets and hotel rooms, rent a car, shop online, pay credit card bills and get gift cards/vouchers in addition to availing free online registration, enhanced security with one-time pin for each redemption, confirmation SMS and email for each redemption.

The customers' health and safety being the bank's top-most priority during the Covid-19 pandemic, the bank has moved a step closer to offering utmost convenience

to its existing and potential customers through the launch of MRewardz Online.

The credit cardholders will no longer need to visit the branches or call the contact centre for placing any redemption request.

The MRewardz portal is a one-stop solution for the credit cardholders to redeem their MRewardz points and gain the desired reward/s instantly. They can easily activate their accounts with their Client ID.

A comprehensive loyalty programme, MRewardz, was launched by MTB in 2018 for its credit cardholders with locally redeemable options, according to the statement. With a view to offering ultimate convenience to its credit cardholders, the bank has launched MRewardz Online with thousands of redemption options across the world.

The most salient feature of MRewardz Online is that no manual intervention will be required to get the desired reward and the benefits can be availed from the comfort of the home. MTB credit cardholders will earn reward points on all POS and online transactions.

Standard Bank holds 28th EGM

STAR BUSINESS DESK

Standard Bank organised its 28th extraordinary general meeting on July 30 through a digital platform.

Kazi Akram Uddin Ahmed, chairman of the bank and former president of the Federation of Bangladesh Chambers of Commerce and Industry, presided over the meeting, the bank said in a statement yesterday.

Vice Chairman Md Zahedul Hoque, Directors Kamal Mostafa Chowdhury, Ashok Kumar Saha, Ferozur Rahman, Md Monzur Alam, SAM Hossain, Mohammed Shamsul Alam, Mohammed Abdul Aziz, Ferdous Ali Khan, Mohd Yousuf Chowdhury, Kazi Khuram Ahmed, Md Abul Hossain, Najmul Huq Chaudhury and Md Nazmus Salehin took part in the event.

Managing Director and CEO Khondoker Rashed Maqsood, Additional Managing Director Md Tariqul Azam, Deputy Managing Director Md Motaleb Hossain and a large number of shareholders of the bank also joined the event.

Acting Group Company Secretary Md Ali Reza conducted the meeting, according to the statement.

The bank also organised its 21st annual general meeting on the day. The financial institution approved 5 per cent stock and 5 per cent cash dividends for the year 2019.

Standard Bank was established as a public limited company on May 11, 1999 under the Companies Act, 1994.



Is the pandemic bringing down the curtains on independent bookstores and publishers?

FROM PAGE B1

Meanwhile, the publishing sector's annual turnover would be about Tk 10,000 to Tk 12,000 crore, he said.

Many publishers and booksellers are facing difficulties in paying their employees regularly while about 10 per cent of the country's libraries have closed their doors for good as a result of the situation, Paul added.

ACPAB President Ahmed said that educational institutions and cultural events generate a good amount of revenue for publishers.

"However, all educational and cultural activities have been shut due to the pandemic," he said.

Private schools usually buy a good number of books but this year, there is no demand from them, said Md Alauddin Sarker, the publication officer of Bishwa Sahitya Kendra (BSK).

The popular institution marked a 39 per cent drop in sales year-on-year to about Tk 140,000 in the January-June period of this year, according to Sarker.

Numerous publishers said they printed an increased number of books in expectation of higher demand from readers and various institutions this year owing to celebration of birth centenary of Father of the Nation, Bangabandhu Sheikh Mujibur Rahman.

The pandemic has affected that celebration to a large extent, to say the least.

"It was a potential year for us. Various events would have taken place had things been normal," Ahmed said.

DESPERATE ATTEMPTS TO KEEP SALES UP: ONLINE EMERGES AS HUGE SUPPORT

To recover from the lack of receipts, many retailers are now seeking to boost their online sales, although most publishers are ill-prepared in regards to the online market.

As a result, online bookstores such as Rokomari have emerged as a great support as many readers chose to buy digitally from marketplaces to prevent infection by maintaining social distancing.

Overall sales through the digital platforms have surged 30 per cent in June-July when compared with the figures from a year earlier, said Mahmudul Hasan Sohag, chairman of Rokomari. However, online sales account for just 10-20 per cent of the overall book market, he said.

Therefore, the increased demand for home deliveries through e-commerce platforms did not translate into providing enough revenue for publishers to narrow their losses from offline sales.

So, if online sales are combined with offline sales, book sales have dropped significantly, he said.

"Online platforms usher hope. But it appears that the demand for creative books will remain low unless the overall economy sees a boost," he added.

Jakir Hossain, deputy manager of Prothoma Prokashan, said his company is exploring all the possible ways to reach out to readers and increase sales.

Mahrukh Mohiuddin, managing director of University Press, said publishers in India switched to the e-book and audiobook formats quickly to adapt to the situation.

"But we could not do that at a fast pace," she said, adding that University Press has increased its focus on making books available in electronic formats.

Since profits have declined, publishers will have to accept the reality of how low the revenue is and pay attention to minimising the costs for the next couple of months and stay afloat, Mohiuddin said.

"However, it will be really tough for many publishers who genuinely work with small capital," she said, adding that the pandemic is yet to cost many more jobs.

Md Afzal Hossain, the proprietor of Anindya Prokash, said the publisher could not pay their employees' salaries for March and April.

"A lot of our funds have been stuck at book shops," he said, adding that he is owed Tk 10 lakh in arrears by various book stores in certain markets of Dhaka.

"On the one hand, no one is paying our dues. On the other, we cannot deliver books outside Dhaka," he added.

GOVT AGENCIES NEED TO BUY BOOKS

The publishing sector's troubles are not going to go away any time soon, according to Mazharul Islam, chief executive of Anyaprokash.

"Because, the middle-class people are the main readers and they have been seriously affected by the pandemic."

Various countries, including neighbouring India, provide a lot of support for Bangladesh's publishing industry. Italy has declared the creative sector as essential while Indonesia provides a lot of government support.

"But we do not get any support from our government," said Islam, now the president of the capital branch of the Bangladesh Publishers & Book Sellers Association (BPBSA).

In an appeal to the prime minister in April, the 26,000-member association demanded that the budget for book purchases for libraries under the cultural affairs ministry be increased 20-fold from its present value.

The BPBSA had also said the budget for book purchases by the state government of West Bengal has is 10 times higher than Bangladesh's budget.

The government's annual budget to buy books for two agencies -- the Public Library and Jatiy Grantha Kendra -- is about Tk 3 crore, which is a very negligible amount, according to ACPAB President Ahmed.

The publishing sector will be able to withstand the crisis if the government

buys books from mainstream publishers. In which case, no grant is needed, he added.

M Badrul Arefin, secretary of the ministry of cultural affairs, said the ministry would look into the plight of the country's publishers and booksellers.

YET, THE FIGHT CONTINUES

With store sales declining and many readers preferring to get books delivered to their doorsteps, several sellers have shifted their focus to online sales and home delivery.

Batighar, a chain book shop, is working to open an online retail platform for its products, said the company's proprietor, Dipankar Das.

"We would have established an online store two years later but now, we are doing this as fast as possible because of the current circumstances."

Das also informed that the company's sales began to pick up back in June. However, those who operate on a small scale are in serious trouble. A number of them are on the verge of closure.

"Many things would become clear when the pandemic is over. I am afraid we may not see many publishers at next year's Boi Mela," Das added.

The downturn in sales forced them to consider shutting down for good, said Razia Rahman, chief executive of another book shop named Dipanpur.

The organisation pulled back from its decision though following requests from well-wishers. The company also received some grants from the government and the International Publishers Association to try and sail through the bad weather.

However, she is uncertain how far the business can continue.

"Expenses cannot be managed without book sales. The business of books is challenging and coronavirus has made things worse," said the chief executive of Dipanpur, named in memory of slain publisher Faisal Arefin Dipan.

As the book store was closed until the nationwide lockdown had ended, Dipanpur tried to manage its expenses by catering food for doctors.

Nalonda's Jewel said he wants to continue as a publisher and is trying to establish an online portal.

He also said he wanted to keep his physical store and requested the space owner to cut the monthly rent by nearly half. However, the owner did not pay heed to the request, forcing Nalonda to close down permanently.

On 5 August, a 'To-Let' sign was seen hanging over gates to the place that was known as Nalonda just until last month. Just beside this location sits Kabita Café, a book store-cum-coffee shop. The Kabita Cafe reopened on 5 August after more than four months in the hope that readers and literature enthusiasts will soon return. But that now seems unlikely.

The question hounding banks: how to solve a conundrum like SME loan?

FROM PAGE B1

CMSMEs are sprawled around the country and hence, a huge distribution network with adequate manpower is required to reach, onboard, assess and monitor borrowers. This makes it costlier to finance them compared with corporate entities.

As per the ABB's calculations, lenders have to count at least 10.62 per cent interest rate on CMSME loans considering the weighted average cost on deposits, operating costs, minimum credit loss costs and general provisioning.

Banks must add 4 to 5 per cent to the calculation if they want to enjoy profits from SME loans.

With this backdrop, the ABB urged the Bangladesh Bank to rethink the interest rate cap on lending products, with the exception of credit cards, in the interest of the SME sector.

Banks have requested BB to allow them to set at least a 14 per cent interest on SME loans.

"In such a scenario, if the 9 per cent is not lifted for SME lending, banks will be forced to cease lending to these entities, which ultimately will slow the growth of private sector credit, and hence, will affect the desired GDP growth," ABB said.

With reduced credit flow from banks, SMEs will eventually look for alternate financing arrangements from costly sources like microfinance institutions that charge rates upwards of 20 per cent or turn to loan sharks, the informal 'Mohajon' type users.

More than 10,000 employees who are engaging with the SME programme operated by banks may face unemployment if lenders do not pursue these loans, ABB said. Banks will have to count their losses if they give out loans to the SME sector with a 9 per cent interest rate, said Syed Abdul Momen, head of SMEs at Brac Bank.

"We will be forced to scale down our SME credit programme in the days ahead if the existing interest rate cap persists," he said.

For instance, banks usually appoint one or two relationship managers (RM) to disburse a corporate loan of Tk 100 crore, but they have to deploy more than 30 RMs to distribute the same amount of loans to the CMSME sector, he said.

Therefore, it will be highly difficult to run the SME operation following the implementation of the 9 per cent interest cap.

The central bank has also introduced a Tk 20,000 crore stimulus package for the CMSME sector so that the small borrowers can tackle the ongoing economic fallout.

The package has to be implemented by banks but they will get 50 per cent of the fund disbursed to the borrowers from BB.

As per the guidelines of the stimulus package, CMSMEs can take working capital at 9 per cent interest. Of the interest, 4 per cent will be borne by the borrowers and 5 per cent by the government.

However, banks are showing reluctance to make effective disbursements from the stimulus package as BB asked the lenders to disburse a maximum of 30 per cent of their existing working capital.

Besides, lenders are allowed to give out at a maximum of 20 per cent of their credit ceiling set by the central bank under the stimulus package to the trading sector.

Another official of a private bank said that nearly 65 per cent of SME loans have gone to the trading sector.

"This has created a roadblock for banks to use the stimulus package despite the central bank instruction to implement all credit packages, which have been formed to mitigate the recession, by August."

The central bank should address the issues immediately as SMEs account for 20 per cent of the GDP, he added.

The sector also provides 80 per cent of the total industrial employment and 25 per cent of the country's labour force.



Reshadur Rahman, chairman of Dhaka Bank, presides over the 25th annual general meeting of the bank organised through a digital platform yesterday. Emranul Huq, managing director and CEO, was also present. The bank declared 5 per cent cash and 5 per cent stock dividends for 2019.



One Bank Managing Director M Fakhru Alam and Country-Lead of PrimaDollar Operations Ltd Munawar Uddin exchange the signed documents of a deal at a programme recently to facilitate factoring for exporters in Bangladesh.

Walton is a household name in Bangladesh. Now it wants the world to take to its products.

Its MD speaks with The Daily Star about its ambitions and ethics

AHSAN HABIB

It will take no less than a year from hereon for normalcy to return to businesses that have been devastated in the past four months following the novel coronavirus outbreak, said SM Ashraf Alam, managing director of Walton Hi-tech Industries.

A vaccine will be available by this year, he said, referring to anticipations of the World Health Organisation and quite a few research organisations.

Meanwhile, people have already started venturing out of their homes and in many instances going about their business so as soon as the vaccine sees the light of day the situation will become normal very fast, Alam told The Daily Star in an interview last week.

But all businesses will not fare the same when it comes to recovery, said the top brass of Walton, which manufactures a host of household electronic products including refrigerators, freezers, air conditioners (ACs) and compressors since early 2008.

"So our business will take more time compared with the food business, whereas the business of luxury products will take the highest time to return to normalcy that had prevailed before the arrival of the pathogen."

An economy is dependent on a country's consumption level but the consumption of people was affected for the pandemic. Consumption slumped not only in Bangladesh but in the whole world.

So, the economic impact was massive, be it on investment, employment generation or international trade, he said.

Walton, which was founded in 1977, witnessed tremendous growth in its business performance until the 2017-18 financial year, when natural calamities in the form of flood hit hard, coinciding with a huge amount of investment they had made that year.

"Our performance bounced back the following year thanks to the huge investments and extreme marketing."

In the 2018-19 financial year, Walton's revenue soared 89 per cent year-on-year to Tk 5,177.3 crore. The company's earnings per share stood at Tk 45.87 in that period.

Walton's target was to boost its profit in the 2019-20 financial year riding on the additional benefits of the investment that was made the

previous year.

With a paid-up capital of Tk 300 crore, Walton is already in the process of raising Tk 100 crore in capital this year from the stock market through an initial public offering.

"However, the pandemic had a big impact."

The main sales season for refrigerators, the top-selling product of Walton, begins in March. This year, it was spoiled for the coronavirus.

Bangladesh's first cases of COVID-19 were confirmed on 7 March and three weeks later the government put the country on shutdown until 30 May.

"Along with the domestic market, our export market was also smacked down by the contagion. We had targeted to complete our shipments within October to November so that we could grab the Christmas sales."

But all preparations had been impacted.

The company had orders for 2.5 lakh refrigerators and 22,000 ACs from India. It only managed to dispatch 2,000 ACs, with the rest deferred.



SM Ashraf Alam

health workers."

The company also started work on manufacturing various lifesaving medical equipment including ventilators, protective face shields, safety goggles, UV-C disinfectant system and medi-cart robot alongside hand sanitisers.

"We are yet to supply the ventilators in the market but we are ready to produce 100 ventilators as soon as we get approval upon completion of clinical trials."

Now, Walton can manufacture 8,000 international standard face shields and more than 8,000 safety goggles a day. They are sold at home and abroad.

"We always try to meet people's demands with new designs and modern technology, so if you go to a shop after three months you will surely find a change in every product of ours. This is a continuous process of ours."

Apart from these, Walton is also expanding its washing machine factory and the factory of some home appliances like clothes iron, blender, induction and rice cookers, microwave oven and components along with base polyol chemical factory, which will be used in the rigid and flexible foaming industry.

"We are extending the investments in these

products as local demand is rising as well as global demand. The local consumption of these products is still not so big but it is growing. So, there is huge potential," Alam said, adding that the consumption would rise along with urbanisation and growth of per capita income.

Alam also touched upon the thorny subject of job and pay cuts amid the pandemic.

Many companies were cutting jobs during the pandemic, which was not a good decision because employees are assets, he said.

"When the situation will turn around, how will you find efficient people? Moreover, if you don't stand by your employees in times of peril, you will not get the real dedication from your employees when things are normal."

To ensure adequate liquidity at hand at this juncture, entrepreneurs need to take measures. "But cutting jobs cannot be one such measure. They can halt capital investment right now to manage liquidity."

He recommended people diversify their products. For diversification there should be a target to attain specialisation; otherwise, it would not be possible to compete in the market.

He said patience is of the essence to survive during such a critical time. "If people survive,

profits will come again."

Walton began its manufacturing journey as a motorcycle manufacturer but later pivoted to electronics.

Asked the reason behind the move, he said they stopped producing conventional motorcycles because the major sources of the world's best engines were on their way to closing down.

Engine-run motorcycles are going to turn obsolete globally, so Walton is shifting to battery-run engines. "However, our people are still fond of engine-run big motorcycles."

Walton has a plan to go for bulk production of battery-run electric motorcycles depending on suitable policy support from the government.

It already has the production plants for batteries and motors of international standard, which are needed to produce electric vehicles, he said.

Responding to another question, he said they were now focusing on ensuring high quality, for which they were using copper condensers in refrigerators.

Copper condensers increase the life span of the home appliance and make those more energy efficient.

"We produce our refrigerators with the thought of keeping those usable for 20 years."

Walton is producing compressors with technology developed in Germany and has an annual production capacity of 4 million. The company has targeted to manufacture 10 million compressors annually within 2025.

"Our compressor is the world's most silent, whose noise level is 28 decibels on an average, whereas, other global manufacturers' products have noise levels of 35 to 42 decibels. As our product is new in the global arena, we tried to ensure good quality so that people get amazed by the performance."

Walton exports its products to more than 35 countries, including the US and Europe, and now it is working to expand the market to South and North America, Russia and different European countries.

"We are targeting to export 1 million compressors by 2021, which is expected to increase to 5 million by 2025. We are marching forward to become the world's fifth top electronic products and components manufacturer by 2030."

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"Now, we are recovering from the situation but still we fear a fall in our profits and turnover by at least 30 per cent. Hope lies in the fact that the impact was not as bad as we had feared."

Fearing the worst in early March, Walton had stopped all new investments, procurement of raw materials and kept a big amount of money with banks to ensure that its employees get their salaries, Alam said.

Just before the general shutdown began on 26 March, Walton disbursed Tk 77 crore among its 20,000 employees in 22 production bases from the profit-sharing fund for the 2018-19 financial year.

"In this pandemic period, we are trying to provide some relief to people and frontline

Runner Auto bringing KTM motorcycles to Bangladesh

JAGARAN CHAKMA and AHSAN HABIB

The famed off-road motorcycles of KTM would soon be available in Bangladesh thanks to Runner Automobiles, which yesterday announced an agreement with Bajaj Auto that part-owns the Austrian bike brand to become its authorised distributor.

Up until now Bajaj motorcycles were solely distributed in Bangladesh by Uttara Motors.

Runner will distribute the high-end motorcycles of Bajaj in Bangladesh while Uttara Motors the standard ones, said Shanat Datta, chief financial officer of Runner Automobiles.

"The young generation loves new features and new models of motorcycles, for which Runner Automobiles decided to take on the distributorship."

Through the new agreement, Runner will avail the distributorship under either completely built up, semi knocked down or completely knocked down conditions or for parts and spares supply, it said in a posting on the Dhaka Stock Exchange website.

Runner, which already has its own line of motorcycles and also markets American brand UM and Italian brands Vespa and Aprilia, will start the process for upgrading its assembly plant in Bhaluka of Mymensingh so that KTM motorcycles can begin taking shape there from next month.

"We don't need to invest a lot as we already have a plant. We just have to add some equipment to ensure the quality of the high-end bikes."



Now Japanese companies Yamaha and Suzuki are selling premium motorcycles in Bangladesh, Datta added.

The current market share of premium motorcycles is about 15 per cent whereas it was only 5 per cent just four years ago.

Just two years ago, Bangladesh was dependent on imports to meet 95 per cent of its demand for motorcycles.

But the situation has completely reversed: today, about 96 per cent of the two-wheelers plying on the roads are either locally manufactured or assembled, according to the industry people.

Seven firms -- Japanese brands Honda, Suzuki and Yamaha, India's Bajaj, TVS and Hero, and Runner Automobiles of Bangladesh -- have made the country almost self-sufficient in motorcycle manufacturing or assembly in the fast-growing market.

Operators now predict that the market

would grow manifold in the next two-three years because of rising incomes, steady growth of the economy and favourable policy and tariff structure despite the pandemic hampering their production and sales in the last four months.

About 1,600 motorcycles are sold every day in the country, nearly doubling from 900 in 2016, according to market players.

In 2018, about 480,000 motorcycles were sold, up from 387,000 in 2017 and 270,000 in 2016.

Bajaj is the market leader with a 40 per cent share. It sold about 2.25 lakh units in 2018. It churns out 12,000 units per day at its Zirani factory in Savar.

Earlier, Dileep Banerjee, chief executive of Uttara Motors, the sole distributor of Bajaj motorcycles, had stated that Bajaj sold more than 20 lakh units in the past 40 years.

Bajaj Auto, the world's third-largest motorcycle manufacturer and second-largest in India, originally acquired a 14 per cent stake in KTM in 2007 and has subsequently raised it to 48 per cent.

Currently, it exclusively manufactures the Duke range of KTM motorcycles.

The arrangement with Bajaj Auto is expected to further strengthen Runner's position in the high-end segment of the motorcycle market, it said in the web posting.

Listed in 2019, Runner's stock closed at Tk 49.80 yesterday, up 2.9 per cent from the previous day.

France to provide €150m to bounce back from downturn

Joins the likes of Japan and other multilateral lenders in rallying behind Bangladesh

JAGARAN CHAKMA

The Agence Française de Développement (AFD), the French government arm that deals with overseas aid, has joined the long list of development partners that have come forward to help Bangladesh in its efforts to recover from the economic whiplash brought on by the global coronavirus pandemic.

The French development agency has agreed to provide Bangladesh with a soft loan of €150 million following the government's request for financial assistance, said Md. Ali Hossain, joint

Cooperation Agency and the Islamic Development Bank had responded to the calls before AFD's announcement.

"We have gladly received their response and a draft of the financing agreement from the French embassy," Hossain told The Daily Star.

Hopefully, the financing agreement will be officially signed within a short period after being vetted by the concerned ministries.

The concessional loan will also contribute towards the WB's Cash Transfer Modernisation project, according to the Embassy of France in Dhaka.



The project, which is co-financed by the AFD and World Bank, seeks to improve the transparency and efficiency of selected cash transfer programmes (CTPs) for vulnerable population by modernising service delivery.

It has three components. The first is to enhance cash transfer programmes and incentivise action towards

secretary of the Europe wing of the Economic Relations Division.

Following the outbreak of coronavirus in the country in March, the government enforced a countrywide general shutdown to flatten the curve on the rogue pathogen and effectively forcing the economy to take a hit.

While the virus could not be snuffed out, the shutdown caused great damages to livelihoods.

The pandemic stands to wipe off the gains made in poverty reduction in the past decade, according to the World Bank; and as per estimates, more than 1.5 million of the poor and the vulnerable have lost their livelihoods for the shutdown.

This means the need to spend substantially on social safety net programmes and job creation has become imperative. At the same time, its purse strings have been tightened for the near-collapse of economic activities.

This has compelled the government to seek for financial assistance from abroad.

And the World Bank, the Asian Development Bank, the Asian Infrastructure Investment Bank, the International Monetary Fund, Japan International

the improvement of business processes under select CTPs.

The second is to modernise service delivery, which provides technical assistance, helps utilise integrated information systems for targeting and payment and improves citizen engagement.

The third is to strengthen a country's human resources and Contingent Emergency Response (CER) in a bid to ensure the rapid mobilisation of funds from the project in times of natural or human-induced disasters.

Therefore, the CER component will help cover Bangladesh's response to the economic fallout from coronavirus.

The loan from AFD will also provide co-financing for the age-old allowance programme of the ministry of social welfare (MoSW) and department of social services (DSS) until 2023.

The fund will directly support the country's most vulnerable population, the intended beneficiaries, while other MoSW cash transfer programmes, as well as non-intended beneficiaries, may qualify for the programme, according to the Embassy of France.

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Interest rate cap, pandemic battered City's fortunes in 2020

AHSAN HABIB

City Bank's profit tumbled 42 per cent in the first half of 2020 due to the new interest rate regime and disruption in business caused by the pandemic.

The lender's profit after tax between January and June stood at Tk 106.8 crore, according to the bank's half-yearly report.

"The decline in the profitability of the bank during this period is mostly caused by external, regulatory and macro factors rather than internal lack of efficiency," said Mashrur Arefin, managing director of City Bank.

The government imposed a ceiling of 9 per cent in the lending rate that came into effect on April 1.

This ceiling brought down the interest income of City Bank in the first half of the year to Tk 1,248 crore, down 2.8 per cent year-on-year.



On the other hand, the bank's interest expense grew 10.8 per cent in the same period depending on the growth in deposit volume, although its cost of deposit remained the same at 5.5 per cent.

The bank's deposits grew 11.4 per cent year-on-year to Tk 27,465 crore.

"A testament to this fact is the outstanding growth in the balance sheet items of the bank during this period, even with the coronavirus outbreak impacting business severely," Arefin said.

The bank's loans increased 18.3 per cent to Tk 29,322 crore and total assets 12.5 per cent to Tk 40,164 crore.

Its default loan ratio fell to 4.5 per cent from 5.8 per cent six months earlier.

City's agent banking and women banking along with the retail banking are expected to contribute considerably in low-cost deposit mobilisation in the coming years, according to Arefin.

The lender's agent banking deposits increased 17.2 per cent in the last six months and women banking deposits 7.6 per cent. Its SME loans have soared 21.7 per cent.

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