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| ▲ 0.65% | ▲ 0.50% | \$1,891.71 | \$42.21 | ▼ 2.61% | ▼ 0.51% | ▼ 1.25% | ▼ 0.26% | BUY TK 83.95 | 97.57 | 108.28 | 12.31 |
| 4,872.29 | 8,337.75 | (per ounce) | (per barrel) | 39,728.41 | 23,507.23 | 2,523.62 | 3,332.18 | SELL TK 84.95 | 101.37 | 112.08 | 12.94 |

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State lenders disregard marginal farmers, micro-enterprises

Face BB show-cause as they disbursed no funds from stimulus package

AKM ZAMIR UDDIN

Seven state-run banks have not disbursed any fund from the central bank's stimulus fund of Tk 3,000 crore for low-income professionals, marginal farmers and micro-enterprises.

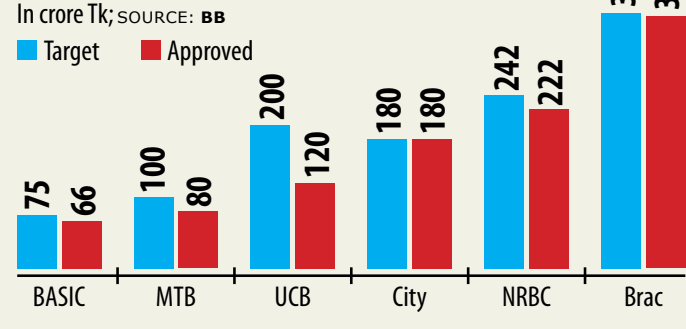
The Bangladesh Bank repeatedly asked them to give out loans from the package in order to speed up the ongoing economic recovery, but they did not pay heed to the instruction.

This has forced the central bank to issue show-cause notices yesterday to the seven -- Sonali, Janata, Agrani, Rupali, Bangladesh Krishi, Rajshahi Krishi Unnayan and Bangladesh Development banks.

They have been asked to reply in seven days citing the reason for their failure.

In addition, they will have to submit a detailed plan on how they would distribute loans from the fund in the quickest possible time as part of government efforts to revive the rural economy.

BANKS THAT APPROVED HIGHEST LOANS



"Although the state lenders had earlier committed to disbursing the fund in the shortest possible time, they did not keep their word," said a central bank official. The central bank unveiled the package on April 21 to keep the marginal businesses and farming activities of the low-income groups afloat from the economic hardship brought on by the coronavirus pandemic. People with no access to banks and non-bank financial

institutions will be allowed to get loans from the revolving fund at 9 per cent interest rate.

Microfinance institutions (MFIs) having certificates from the Microcredit Regulatory Authority can give out the loans.

Under the package, the BB will initially provide the fund to banks at 1 per cent interest. Banks will lend to the MFIs at 3.5 per cent interest.

The MFIs will be allowed to charge borrowers a maximum of 9 per cent interest.

Six months have already gone since the unveiling of the package, but the seven-lenders, which are mainly responsible for providing banking service to the financially insolvent, have yet to take any initiative, the central banker said.

This has created a frustrating situation beyond doubt as the lenders have a large banking network in the rural area, he said.

STATE LENDERS THAT DISBURSED NO FUNDS

In crore Tk; SOURCE: BB

| BANK | TARGET |
|--------|--------|
| Sonali | 125 |
| Janata | 100 |
| Agrani | 40 |
| Rupali | 100 |
| BKB | 5 |
| RAKUB | 45.25 |
| BDBL | 1 |

As of June, the total number of branches of the country's eight state-run lenders stood at 5,208, of which 63 per cent are located in the rural areas.

Of the eight banks, only BASIC Bank approved loans worth Tk 65.85 crore as of October 14, according to data from the central bank.

A good number of private banks have already disbursed a good amount of fund among the marginal people. Forty-two banks signed participation agreements with the central bank to disburse the fund.

The state lenders initially showed a lot of interest in signing the participate agreement to join the disbursement process, but they have continued to show zero performance.

Although some private banks are yet to disburse a good amount of loans, others have already taken different measures to give out the fund.

All banks have collectively approved loans to the tune of Tk 1,332.77 crore, or 44.43 per cent of the stimulus package.

Of the approved fund, Tk 605.66 crore has been given out to the clients, thanks to the good performance of the private lenders.

Agrani Bank has taken different initiatives to disburse the fund, said Managing Director Mohammad Shams-Ul Islam.

"We will submit a credit proposal of Tk 20 crore to our board of directors in the next week to get the approval," he said.

The entire disbursement target of Tk 40 crore set by the central bank for the bank will be disbursed within this month, he said.

"We have been late in getting into the process of disbursing the fund due to some technical complexities," Islam claimed.

Bangladesh Krishi Bank usually disburses loans in the rural areas through its branches. But the stimulus fund will have to be disbursed through MFIs and this has initially created some problems for the bank to distribute the fund, said Md Ali Hossain Prodhania, managing director of the state lender.

READ MORE ON B3

Worth savouring, not a fluke

Economists say about Bangladesh overtaking India in per capita GDP

REJAUUL KARIM BYRON and MD FAZLUR RAHMAN

Bangladesh surpassing India in per capita GDP in 2020 as forecast by the International Monetary Fund is not a fluke and is rather a reflection of the country's steady economic growth and a solid foundation, said economists yesterday.

According to the IMF's latest World Economic Outlook report, Bangladesh's per capita growth of gross domestic product (GDP) would rise to \$1,887.97 in dollar terms and at current prices at the end of this year, while India's per capita GDP would fall to \$1,877.

"Aside from technical issues and the projection that Bangladesh will just be a notch richer than India this year, as well as five years later, for Bangladesh which started its independent journey 24 years later, this is a distinction worth savouring," said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

The progress is an achievement thanks to Bangladesh's steadily growing economy, said Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue.

"Bangladesh's economic foothold is not a fluke. We also beat India in many social sectors a long ago," said Monzur Hossain, research director of the Bangladesh Institute of Development Studies.

"We are consistently doing better and moving forward and India is not doing well. This is clear."

India's GDP per capita growth has been consistently slowing since 2016 and is likely to have slipped below Bangladesh this year due to a 10.3 per cent contraction in the size of the economy.

"Bangladesh's economic foothold is not a fluke. We also beat India in many social sectors a long ago," said Monzur Hossain, research director of the Bangladesh Institute of Development Studies.

Robi hits 5cr subscriber milestone

MAHMUDUL HASAN

Robi Axiata has reached the milestone of five crore subscribers in a testament to the telecom operator's growing influence in the local market.

"Reaching the five-crore milestone is an outcome of our consistent drive for digital innovation," said Shahed Alam, chief corporate and regulatory officer of the carrier.

The development coincided with Robi Axiata's initial public offering move to raise Tk 523.7 crore from the stock market in the country's biggest IPO, overtaking Grameenphone's flotation of Tk 486 crore in 2009.

"We look forward to turning the hopes and aspirations of our customers into reality by applying advanced digital technologies," Alam told The Daily Star yesterday.

Robi is behind market leader Grameenphone, which had 7.6 crore active subscribers as of July, data from the Bangladesh Telecommunication Regulatory Commission (BTRC) showed.

Banglalink and state-run Teletalk have 3.44 crore and 46.81 lakh active customers respectively.

Robi started its journey in 1997 under the brand name of Aktel. In 2009, the company's name was changed to Axiata (Bangladesh) and in 2010, the company assumed its present name, Robi Axiata.

It merged with Airtel Bangladesh in 2016 to become the country's second-largest telecom operator.

Robi disclosed the milestone at a press conference via a digital platform yesterday.

"We all take pride in Robi's

ROBI AXIATA SUBSCRIBERS

| | |
|----------|--------|
| Dec 2016 | 3.38cr |
| Dec 2017 | 4.29cr |
| Dec 2018 | 4.68cr |
| Dec 2019 | 4.90cr |
| Oct 2020 | 5cr |

SOURCE: BTRC

achievement," said Mustafa Jabbar, post and telecommunication minister.

"I congratulate the company's management, employees and business partners across the country on this tremendous accomplishment. I believe Robi is now standing on a

strong foundation to contribute towards the national digital transformation journey."

Md Jahurul Haque, chairman of the BTRC, said: "This achievement would increase the people's expectation from Robi."

Robi Managing Director Mahtab Uddin Ahmed said the country is moving towards a new economy, the digital economy, where people will realise their aspirations through digital means.

"And we are determined to be their partner on this journey by helping them reimagine life with the touch of technology."

On the occasion, Robi and Airtel customers will receive 5 megabytes of data as a daily bonus if they purchase any data packs.

Customers can also enjoy 200 MB free data once by installing or logging into the country's largest

online school -- Robi-10 Minute School app. The offers will be valid for a month.

Robi was the first operator to have launched 3.5G service in Bangladesh. In February 2018, it rolled out 4.5G service in all 64 districts and by the end of 2018, it had set up the largest 4.5G network in the country, the company said in a statement.

It is also the first local telecom operator to have introduced voice over long term evolution (VoLTE) technology to provide its 4G users with enhanced audio, better data usage and improved service.

In Bangladesh, Robi was the first operator to test 5G service on its network.

Axiata holds a 68.69 per cent stake in the company and Delhi-based Bharti Airtel owns the remaining 31.31 per cent share.

READ MORE ON B3

Acme set to enter US market

STAR BUSINESS REPORT

Acme Laboratories is about to set foot in the US market with its generic drug, Zolpidem, through contract manufacturing with a US company.

"This is the first time we are going to launch our product in the US market," said a senior official of the pharmaceuticals company.

In its disclosure to the Dhaka Stock Exchange (DSE) yesterday, Acme said exploring the US market is the company's most ambitious project, with which they intend to generate yearly earnings of around \$50,000.

Zolpidem is a sleeping pill used to treat insomnia, for which more than

10 million prescriptions are filled in the US each year with treatments commonly involving similar medication.

However, Acme's share prices dropped by 1.13 per cent to hit Tk 69.9 yesterday.

The company declared 25 per cent cash dividend for the fiscal year ending in June 2020, down from 35 per cent for the previous four years.

Meanwhile, its earnings per share rose to Tk 6.85 in fiscal 2019-20 from Tk 6.81 the year prior, according to the company's posting.

Acme, listed with the DSE back in 2016, reported Tk 1,630 crore in revenue for fiscal 2018-19, when

domestic sales accounted for 96 per cent of the total value.

During the same year, the company's exports grew 26.70 per cent to Tk 65.16 crore from Tk 51.4 crore in fiscal 2017-18, according to its annual report.

Acme's began its international business back in 1995 by exporting various medicine to Bhutan. Now, the company exports drugs to more than 20 countries in South Asia, South East Asia, Africa and Central America, according to its website.

Acme currently produces over 500 products in different dosage forms covering broader therapeutic categories, it added.

MISSING IN MARKETS, SPROUTING IN STORAGES



RAJIB RAIHAN

While market prices of onion have skyrocketed following a recent export ban by India, these stocks of the essential cooking ingredient at Chattogram city's Khatunganj wholesale market are starting to grow roots for being kept in storage for too long, raising questions over whether traders are intentionally holding back supplies to create an artificial shortage. Prices of locally grown onion was hovering around Tk 85-Tk 90 per kilogramme in Dhaka city yesterday as per the Trading Corporation of Bangladesh. The photo was taken on Wednesday.

Ananta Group to set up \$25m lingerie factory in Ctg EPZ

STAR BUSINESS REPORT

A local company, Z&Z Lingerie Ltd, is going to establish a garment factory in Chattogram Export Processing Zone with an investment of \$25 million.

The company will produce annually 43 million pieces of different kinds of lingerie like bra, panty, leggings and sportswear, Bangladesh Export Processing Zones Authority (Bepza) said in a statement yesterday.

The factory of Z&Z Lingerie, a

concern of leading apparel maker and exporter Ananta Group, will create employment opportunities for 4,736 people.

This will be the sixth industrial unit of the same owner inside the EPZ, according to the statement.

Md Mahmudul Hossain Khan, member for investment promotion at Bepza, and Sharif Zahir, managing director of Z&Z Lingerie, signed agreements in this regard at Bepza Complex in Dhaka yesterday.

Major General SM Salahuddin Islam, Bepza's executive chairman, was also present at the event.

Sharif Zahir, managing director of Ananta Group, said they already have a lingerie factory in Chittagong EPZ with an investment of \$30 million.

Ananta Group also has investments in denim, men's suits, sweaters in Adamjee EPZ and employs over 26,000 people.

"We are planning to start work on the new project next year," he said.