

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▼ 0.60%	▼ 0.70%	\$1,896.25 (per ounce)	\$39.75 (per barrel)	▼ 1.48%	▼ 0.29%	▼ 0.17%	▲ 0.46%	BUY TK 83.95	89.81	108.50	12.33
4,838.52	8,304.83			39,922.46	23,418.51	2,483.48	3,269.24	SELL TK 84.95	101.61	112.30	12.96



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BUSINESS

DHAKA THURSDAY OCTOBER 29, 2020, KARTIK 13, 1427 BS ● starbusiness@thedailystar.net

Govt to buy paddy, rice at lower than production costs

2 lakh tonnes of rice to be imported initially

REJAUL KARIM BYRON and SOHEL PARVEZ

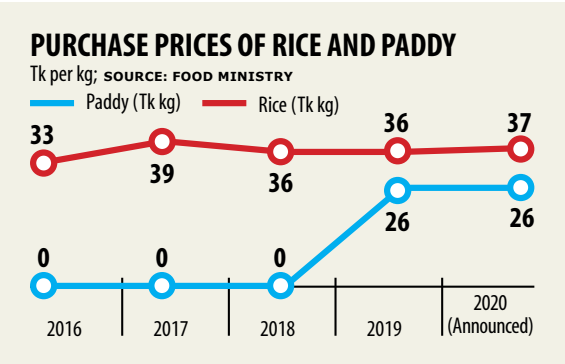
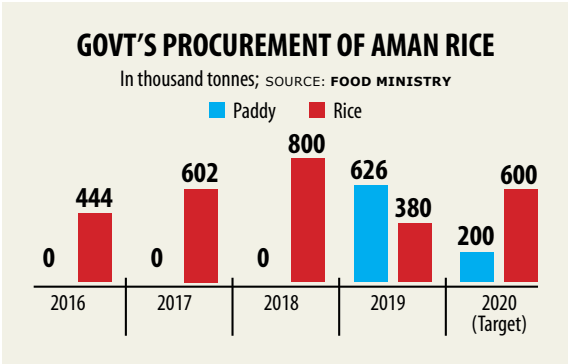
The government yesterday announced to buy paddy and rice at prices that are below the production cost, raising doubts whether it would be able to attain the procurement target of the staple to build an adequate public stock.

The decision came at a meeting of the Food Planning and Monitoring Committee (FPMC) chaired by Food Minister Sadhan Chandra Majumder.

The FPMC decided to buy two lakh tonnes of paddy from growers at Tk 26 per kg and six lakh tonnes of rice from millers at Tk 37 per kg.

The prices are lower than the agriculture ministry's estimate of the production cost of Tk 27.29 a kg for paddy and Tk 40.36 per kg for rice.

The decision came more than a



month after the food ministry failed to achieve its procurement target of rice and paddy from Boro harvest as millers and farmers were less interested to supply the grains to state storages because of the soaring prices of the staple food.

The government had aimed to buy 8 lakh tonnes of boro paddy

during the procurement period from April 26 to September 15. But it could manage to purchase 2.2 lakh tonnes paddy, falling short of the target by 72.5 per cent.

It procured 9.10 lakh tonnes of rice during the period, down from the initial target of 11.50 lakh tonnes, data from the food ministry showed.

Millers were demanding an increase in price for rice but the government did not respond.

"Millers earlier demanded the government fix the price of rice at Tk 45 per kg," said KM Layek Ali, general secretary of the Bangladesh Auto Major and Husking Mills Owners Association.

Ali said the target price for rice should be Tk 39 per kg. "It will be

easier for millers to supply if the government raises the price."

Field-level food department officials also suggested the government fix the procurement price of paddy up to Tk 28 and rice up to Tk 42 per kg.

Contacted, Agriculture Minister Muhammad Abdur Razzaque said excessive rains and repeated floods affected Aman crop this year.

"At this situation, if the government wants to buy the grains at higher rates, the prices of rice will go up in the market and this would affect consumers," he said.

"Hence, the government plans to buy a limited quantity of rice from the domestic market and import a portion to increase public food stocks."

READ MORE ON B3

Back stimulus packages for small traders

PM urges private banks

BSS, Dhaka

Prime Minister Sheikh Hasina yesterday asked private banks to supplement the government's credit programme for small traders under its stimulus packages announced at offsetting the Covid-19's fallouts.

"The state-owned banks have been extending support to the credit programme," she said.

"In this case, if the private banks come forward, there is no doubt that they will be ultimately benefited once the trade and commerce starts in full swing after the present Covid-19 situation," she said.

Hasina said this while receiving donations virtually through a videoconference from her official Gono Bhaban residence.

Some 35 commercial banks under the Bangladesh Association of Banks (BAB) provided 25.95 lakh blankets for the Prime Minister's Relief and Welfare Fund so as to aid the financially insolvent during the upcoming winter season.

Principal Secretary to the Prime Minister's Office Dr Ahmad Kaikaus received the donations. Hasina said there was a programme on economic support for small traders at low interest rate.

"However, I think that the private banks need to be more sincere to this end... as you always stand beside the people and in this case you'll also have to stand beside them," she said.

READ MORE ON B3



Latifur Rahman: an exemplar of ethical business, patriotism

ICCB says in news bulletin

STAR BUSINESS REPORT

Latifur Rahman, founder of Transcom Group, was an exemplar of ethical and patriotic business as he ran the country's one of the top conglomerates with sheer honesty, said the International Chamber of Commerce - Bangladesh (ICC-B) yesterday.

Rahman, a towering figure in the business in Bangladesh, was the founding member and vice-president of the local chapter of the world's biggest trade body until his demise on July 1 at the age of 75.

The noted entrepreneur also served as a member of the executive board of the Paris-based ICC for two consecutive three-year terms from July 2011 to June 2017.

His extraordinary support, contribution, guidance and active participation since the ICC Bangladesh started its journey in the 1990s are remembered with gratitude, the ICC-B said in its quarterly news bulletin.

Transcom Group, which originated with family tea plantations in 1885, became one of the fastest-growing and diversified business groups in Bangladesh.

Rahman started his career as a trainee in 1966 in his family-owned W Rahman Jute Mills and was an executive until 1971. He established Transcom Group in 1973.

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Loans from export dev fund to be cheaper

Central bank cuts interest rate to boost export sector

STAR BUSINESS REPORT

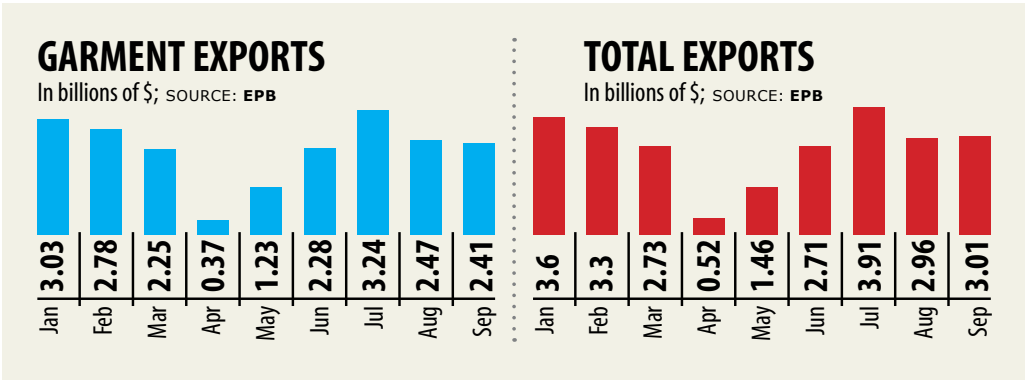
Bangladesh Bank has brought down the interest rate on its export development fund (EDF) even further in order to help exporters recover from the economic impact of Covid-19.

Exporters of the manufacturing sector can now avail loans at 1.75 per cent instead of the previous rate of 2 per cent, according to a central bank notice issued yesterday.

Lenders will receive the fund from Bangladesh Bank with a 0.75 per cent interest rate and will be allowed to charge a maximum of 1.75 per cent in interest from borrowers, it said.

On April 7 earlier this year, the central bank cut the interest rate on its EDF for the first time following a downturn in the country's economic activities. Before that, the interest charged was a six-month London Interbank Offered Rate (LIBOR) plus 1.50 per cent.

The six-month LIBOR stood at 0.25 per cent



as of yesterday while it was 1.93 per cent during the same period a year ago.

Interest rates on lending in the global market have been on the decline as businesses are now reluctant to use loans to expand their businesses amid the ongoing economic uncertainty.

The declining trend of interest rates globally encouraged the central bank to cut its EDF rate even further, a central bank official said.

In addition, the latest cut will boost the country's export sector, he added.

READ MORE ON B2

Banks can now lend more to trade-based small enterprises

MD FAZLUR RAHMAN

Banks and other financial institutions can now lend more to trade-based cottage, micro, small and medium enterprises (CMSMEs) as the central bank yesterday raised the annual ceiling of the loans for the sector by 10 percentage points.

While unveiling the Tk 20,000 crore stimulus package for the CMSME sector in April, the central bank included trade-based micro and cottage firms as a huge number of people are employed in the sector.

At the time, lenders were allowed to disburse 20 per cent of their total annual loans to trade-based CMSMEs.

Now, they can set aside 30 per cent of the loans for the sub-sector as the CMSMEs have been hit hard by the coronavirus pandemic, the BB said in a circular yesterday.

As a result, banks can channel up to 30 per cent of the stimulus package to the sector.


If the amount of the loans goes past 20 per cent, the share of the funds for the manufacturing and service sub-sectors would go down proportionately. However, it would not be below 70 per cent combined for the two sub-sectors, the BB said.

READ MORE ON B2




Small traders are bearing the brunt of the pandemic as they are often deprived of bank loans.

STAR/FILE



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Price Sensitive Information

Board of Directors of the Company in its 95th meeting held on **Wednesday, October 28, 2020** at 5 p.m. approved **1st Quarter (July to September, 2020)** "Un-audited Consolidated Financial Statements" for the period ended on 30 September, 2020. The Board also decided to disclose following comparative statement for the information of the Stakeholders:

Operational results	July - September 2020		July - September 2019	
	Consolidated	Separate	Consolidated	Separate
1. Earnings per Share	5.55	2.39	3.06	2.36
2. Net operating Cash flows per share (NOCFPS)	4.14	2.68	3.62	2.06

Financial Position	As at 30 September 2020		As at 30 June 2020	
	Consolidated	Separate	Consolidated	Separate
3. Net Asset Value per share	62.40	32.04	56.64	29.64


"UPGDCL acquired 99% shares of United Anwara Power Limited (UANPL) and United Jamalpur Power Limited (UJPL) with effect from 1 July 2020. UMPL is a 300 MW power plant and UJPL is a 115 MW power plant. Major deviation in consolidated EPS, NOCFPS and NAV from the same period of the previous year is due to the inclusion of Q1 performance of UANPL and UJPL."

NB: Details of the 1st Quarter "Un-audited Consolidated Financial Statements" ended on 30 September 2020 will also be available in the company's website www.unitedpowerbd.com.

By order of the Board
Sd/-


B. H. Khan, FCA
Company Secretary

Date: October 28, 2020



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Price Sensitive Information

Board of Directors of the Company in its 95th meeting held on 28 October 2020 (**Wednesday**) at 5 p.m. approved the "Separate and Consolidated Financial Statements" for the year ended 30th June, 2020. The Board decided to disclose the following comparative statement and also taken the following price sensitive decisions:

- Recommended Final Dividend : Cash Dividend @ 145% (BDT 14.5 per share) and 10% Stock Dividend (One Bonus Share for every 10 shares held) out of the distributable Profit of the company for the year ended 30th June 2020.**
- Record Date : 30 November, 2020 (Monday).** Members whose names appear on the Depository Register as on the "Record date" shall be entitled to receive the Dividend.
- Date and Time of 13th AGM : 20 December 2020 (Sunday) at 11 a.m.**
- Venue of the AGM : Through digital platform.**
- Comparative Statement :**

Operational results	July - June 2020		July - June 2019	
	Consolidated	Separate	Consolidated	Separate
1. Earnings per Share (EPS)	11.26	8.25	14.62	9.12
2. Net operating Cash flows per share (NOCFPS)	13.25	7.19	14.67	8.86

Financial Position	As at June 2020		As at 30 June 2019	
	Consolidated	Separate	Consolidated	Separate
3. Net Asset Value (NAV)	56.64	29.64	57.09	33.21

Bonus Shares declared will be utilized for resource mobilization and implementation of the acquisition of two power plants viz United Anwara Power Limited (UANPL) and United Jamalpur Power Limited (UJPL) and this has been declared out of accumulated profit available for distribution.

NB: Details of the "Consolidated and Separate Financial Statements" will also be available in the company's website www.unitedpowerbd.com.

By order of the Board
Sd/-

B. H. Khan, FCA
Company Secretary

Date: October 28, 2020