

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 1.04%	▲ 1.08%	\$1,877.95	\$37.94	▼ 0.34%	▼ 1.52%	▼ 1.1%	▼ 1.47%	83.95	96.72	107.67	12.35
4,896.86	8,310.03	(per ounce)	(per barrel)	39,614.07	22,977.13	2,423.84	3,224.53	84.95	100.52	111.47	12.98

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Banks get more time to disburse loans among small enterprises

STAR BUSINESS REPORT

Bangladesh Bank yesterday extended the deadline for CMSME loan disbursements under its Tk 20,000 crore stimulus package until the end of November as some lenders have failed to disburse the funds in time.

Local banks have so far disbursed nearly 29 per cent of the package to beleaguered borrowers in the cottage, micro, small and medium enterprise (CMSME) sector.

The banking regulator instructed the country's lenders and non-bank financial institutions to fulfil their respective loan disbursement target within this month instead of the previous deadline of October, according to a BB notice.

The failure of the lenders has created an impediment in expanding the desired productions and services in the CMSME sector, the central bank said.

This has had an adverse impact on the economy as well. On April 13, Bangladesh Bank announced the stimulus package in order to help the CMSME sector tackle the economic slowdown brought on by the ongoing coronavirus pandemic.

The working capital will be given at a 9 per cent interest rate. Of the interest rate, 4 per cent will be borne by the borrowers and 5 per cent by the government, according to a guideline.

A bank or a financial institution will be able to disburse a maximum 10 per cent of their outstanding loans as of December 31 last year in the CMSME sector in a single fiscal year under the package.

The central bank now provides half of the Tk 20,000 crore stimulus package announced by the government for the sector.

AKM ZAMIR UDDIN

Bangladesh received 28.62 per cent more remittance in October as the money sent by the country's migrant workers toiling abroad kept its scintillating growth defying grim predictions.

Migrant workers remitted \$2.11 billion last month, which was way higher than \$1.64 billion flown to the country in the same month a year ago, data from the central bank showed yesterday.

October's receipts were the third-highest monthly flow in history, behind July's \$2.59 billion and September's \$2.15 billion.

The increasing trend of remittances has given a huge respite to the government to

manage its external sector from the ongoing economic hardship.

Experts hope the trend would be maintained in the coming months given the global economic scenario and the initiatives taken by the government.

"Along with the migrant workers, some expatriate Bangladeshis, who run businesses abroad, may also have transferred funds to the country as part of their portfolio investment," said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

A portfolio investment is an ownership of a stock, bond, or other financial assets with the expectation that it will earn a return or grow in value over time, or both.

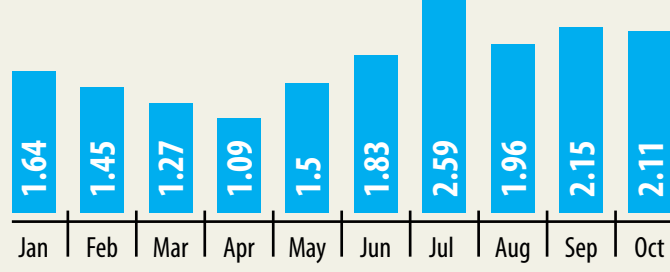
Remittance on a roll

Migrant workers remitted \$2.11b in Oct



REMITTANCES OVER THE MONTHS

In billions of \$; SOURCE: BB



It entails passive or hands-off ownership of assets as opposed to direct investment, which would involve an active management role.

"Many countries in North America and Europe have already entered into the deadlock of a zero per cent interest rate. A country usually will take three to four years to get rid of such a situation," Mansur said.

This has also created a deflation in the countries in the two continents. Against the backdrop, they will need several years to make their economic activities vibrant, said Mansur, also a former high official of the International Monetary Fund.

So, Bangladeshi diasporas now send money as the interest rate on deposit products offered by local lenders is much higher than those in the countries they are now based.

Local banks offer 4-6 per cent interest rate on deposits.

Mansur went on to express a hope that the upward trajectory of remittance might continue in the next few years.

READ MORE ON B3

Berger to set up second metal container plant

STAR BUSINESS REPORT

Jenson & Nicholson (Bangladesh), a wholly owned subsidiary of Berger Paints Bangladesh, plans to invest Tk 91.48 crore to set up its second unit to produce metal containers at Savar to meet the growing demand.

The project is expected to be completed in 2022 and the company disclosed the info yesterday in a post on the Dhaka Stock Exchange (DSE) website.

The company has been producing tin-containers and prints on tin sheets since 1995.

For the last few years, it has been providing metal container



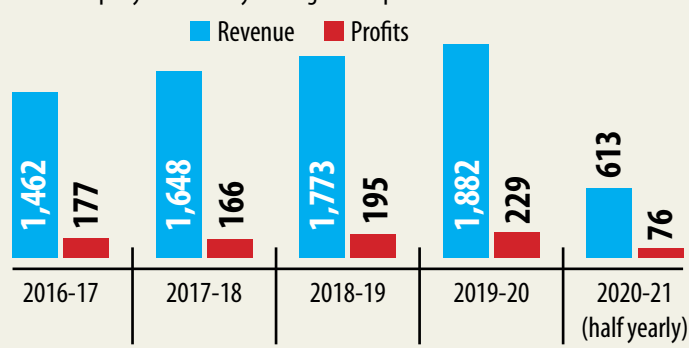
to Nestle, Aarong and some other lubricants companies along with Berger Paints Bangladesh from its Chattogram plant.

A large volume of the containers produced by Jenson & Nicholson is consumed by the Savar plant of Berger, said Khandker Abu Jafar

BERGER PAINTS' REVENUE AND PROFITS

In crore taka; SOURCE: ANNUAL AND HALF-YEARLY REPORTS

*The company's financial year begins in April



Sadique, company secretary of Berger Paints Bangladesh.

"So the decision to establish another container unit was taken to cater for its growing demand as well as to ensure its smooth supply."

The subsidiary has a huge amount of retained earnings, where the necessary fund to set up the plant will come from, he added. The multinational paint maker announced its second quarter earnings. Its consolidated earnings per share (EPS) stood at Tk 14.26 for July-September quarter, up from Tk 9.49 in the same period the previous year.

READ MORE ON B2

61pc poor received no support despite income loss: survey

STAR BUSINESS REPORT

More than 60 per cent of the poor and low-income population who suffered income losses because of the coronavirus-induced economic downturn did not receive any support from the public and private sectors, according to a new survey.

Only 39 per cent of households got some assistance between April and June. But it amounted to 4 per cent of their lost income, said the Power and Participation Research Centre (PPRC) and the Brac Institute for Governance and Development (BIGD) in the study report.

"The support hasn't been widespread. Besides, the amount and the adequacy of the support have been fairly limited. And the support from the external sources has not been cited [by the respondents] as a very important crisis-coping mechanism because these were not reliable," said BIGD Executive Director Imran Matin.

READ MORE ON B3

Bashundhara bitumen goes into production this month

JAGARAN CHAKMA

Bangladesh's first dedicated bitumen plant established by Bashundhara Group at a cost of around \$143.7 million is all set to begin commercial production at the end of this month to meet the domestic demand for asphalt.

The plant has the capacity to produce a whopping 9 lakh tonnes of bitumen a year.

However, the factory established on a 65-acre plot at Pangaon in Keraniganj will produce around 2.75 lakh tonnes in the initial phase.

"We hope to bring the product to the market in December this year," said Nafis Intiaz Alam, head of the plant.

The unit was scheduled to start commercial operations in April but the coronavirus outbreak delayed the process, he said.

A 13-member team from the Roads and Highways Department (RHD) led by its Additional Chief Engineer Abdullah Al Mamun visited the plant to examine its quality control measures and equipment setup on Saturday.

Currently, 90 per cent of Bangladesh's annual demand for 5 lakh tonnes of bitumen—a hydrocarbon-based substance used to build roads and highways—is met through imports, which have questionable quality, he said.

Although imported bitumen is quality tested before being used for construction, the items fail to provide the expected result with their performance, Mamun said.

The RHD is the main consumer of locally produced bitumen.

Now, there will be no question about standards as the leading local conglomerate Bashundhara Group will likely to produce high-quality product, he added.

The prospects for the plant, which is a subsidiary of Bashundhara Oil and Gas Company, are bright given Bangladesh's development goals.

With the major construction and repair projects for about 22,000 kilometres of roads and highways under the RHD, local demand for bitumen is on the rise.

Of the 354,000 kilometres of undeveloped roads under the Local Government Engineering

Department (LGED), 105,000 kilometres have already been upgraded to paved streets.

Besides, the government is expanding all national highways from four to six lanes. This includes district level roads, for which the use of bitumen has increased by about 10 to 15 per cent annually.

With the standard requirements set by engineers given utmost priority, the premium quality Bashundhara bitumen product has penetration values of 60/70 and 80/100 and comes in various grades: cut back, emulsified, oxidised and polymer modified.

"We need modified and customised bitumen to ensure the longevity of road construction for flexible pavement," Mamun said.

According to the additional chief engineer, the Bangladesh Petroleum Corporation can provide only 70,000 tonnes of bitumen as a by-product from Eastern Refinery Ltd.

Khandaker Kingshuk Hossain, chief marketing officer of Bashundhara Group, claimed that they will produce high-quality products to ensure the construction of sustainable roads.



The bitumen plant established by Bashundhara Group at a cost of around \$143.7 million at Pangaon in Keraniganj.

JAGARAN CHAKMA



মাননীয় প্রধানমন্ত্রী জননেত্রী শেখ হাসিনার প্রতি কৃতজ্ঞতা

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