

Exporters to get 210 days to repatriate earnings: BB



STAR BUSINESS REPORT

Bangladesh Bank yesterday said all exporters irrespective of the products they were trading would be allowed a maximum 210 days to bring their earnings into the country due to the ongoing economic hardship resulting from the coronavirus pandemic.

Earlier only exporters of readymade garments and textile sectors were allowed to avail the facility.

The extension will remain effective until March next year, according to a central bank notice.

Exporters have been facing problems in repatriating their receipts on time as per the central bank's regulation as the global economy has been in dire straits.

A good number of foreign buyers are now unable to make their payments against items they are importing from Bangladesh, creating a problem for the country's exporters.

Against this backdrop, the deadline for repatriating the export earnings for the readymade garments and textile sectors was extended from 120 days to 180 days on March 19.

The central bank had initially said the facility would remain effective until September this year.

On July 23, the deadline for the RMG and textiles sectors was extended by another 30 days, which would remain effective until March 2021.

GPH Ispat starts billet export to China

STAFF CORRESPONDENT, Ctg

Steel manufacturer GPH Ispat started billet export to China yesterday with the first shipment of 25,000 tonnes worth \$10.17 million through bulk cargoes.

"It is the biggest ever shipment of raw materials for the rod by any Bangladeshi company," said Md Alamgir Kabir, chairman of GPH Ispat Group.

"After fulfilling our country's demand, we are now exporting billets in large volumes."

The government has taken several initiatives to give a boost to the sector that can ensure easy access of the entrepreneurs in the global market, Industries Minister Nurul Majid Mahmud Humayun said at the virtual inauguration ceremony as the chief guest.

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Bogura handicrafts makers hit hard by back-to-back natural disasters

MOSTAFA SHABUI, Bogura

The spiralling prices of raw materials have been taking a heavy toll on the handicrafts makers in Bogura, as the Covid-19 outbreak, incessant rain and the fourth spell of flood have destroyed the whole supply chain in the district.

Businesses in the district now have to spend three times higher to purchase sea grass and kans grass—two most widely used raw materials in the region—to produce different items, including rugs, bags, bucket and furniture.

"Every year, we need at least 4-5 lakhs bundles of kans grass for our Hapunia village factory in Sherpur," said Saiful Islam, manager of Classical Handmade Products BD in Bogura.

"But this year we could hardly collect 2.4 lakh bundles, as the three natural disasters that came one after another have damaged a huge amount of the grass."

The company spent Tk 5 last year to buy each bundle of kans grass, which are naturally grown in the char areas.

"But this year the prices of each bundle went as high as Tk 13."

Classical Handmade could not collect kans grass for two months since March as it had to keep its factory shut for the pandemic.

After that the rains and flood came and damaged the grass in the char area before harvesting, he said.

"Now, we have money, but there is no kans grass to buy."

Bogura has eight handicrafts factory with which around 12,000 artisans are directly or indirectly involved, and handicrafts worth over Tk 150 crore are exported from the district a year.

In Bangladesh, out of the 400 handicraft manufacturers, around 100 produce handicrafts from sea grass, kans grass, jute, palm leaves, date leaves, banana fibre and some have recently started making the products with pineapple fibres.

In 2019-20 fiscal year, Bangladesh earned \$20.52 million by exporting handicrafts products abroad, according to the Export Promotion Bureau.

"I used to sell each bundle of kans grass at Tk 4 before the coronavirus hit Bangladesh," said Sariful Islam, a local grass trader of Bogura's Dhunat upazila.

"But now I have to sell at Tk 12 a bundle to cover up the losses I incurred in the last seven months."

Islam could not find buyers for the grass he collected in March, as most of the factories were closed complying with the nationwide shutdown announced by the government.

"Most of my kans grass got damaged under the open sky. Later, the Jamuna River



MOSTAFA SHABUI

Over 12,000 artisans who are directly or indirectly involved with the handicrafts production in Bogura have become victim of the pandemic, rains and flood this year. The photo was taken from Hapunia village in the district.

overflowed and destroyed the rest of my grass, as they shrunk after remaining under the water for months."

"After all these when the factories reopened, I had to sell the rest of my grass at three times higher prices to earn my living."

Abul Khayer Lato, a local sea grass trader of the Noakhali sadar upazila, said this year he also had to incur huge losses as he could not prepare his collected grass for sale due to continuous rains.

"Floods also restricted me from harvesting the grass in time, which are normally grown beside the rivers in Noakhali and Barishal," said Lato, who supplies raw material to leading handicraft exporters like BD Creation, Classical Handmade Products BD and Sun Trade.

Repeated floods have also disturbed the harvesting of jute, another popular raw material for handicrafts, said Golam Ahsan, owner of Sun Trade.

Last year, the price of the raw jute was Tk 1,800-2,200 a maund, which went up to Tk 3,000-3,500 this year, he said.

"I had cultivated jute in 10 bighas of land in the Jamuna's char area. The prolonged flood destroyed eight bighas of jute, and I could only harvest two bighas of immature jute, which I sold at Tk 3,000 per maund recently," said Anowar Ali, a farmer of the Bogura's Sariakandi upazila.

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Garment workers stage sit-in in Ashulia for arrears

AKLAKUR RAHMAN AKASH, Savar

Workers of A-One BD staged a sit-in in front of the Ashulia Press Club for the second consecutive day yesterday, demanding ten months arrears from their factory in the Dhaka Export Processing Zone (DEPZ).

Around 700 workers have been protesting since 10:00 am on Tuesday.

At least 1,100 people who were employed by A-One BD, owned by Italian national Alessandra Ferry, have been living in dire straits for the past 10 months due to a lack of incomes, according to the workers.

"Besides, even though the factory was closed in March, our wages have not been paid since January," they said during the sit-in.

And despite multiple protests, neither the factory authorities nor the Bangladesh Export Processing Zones Authority and the government have taken the responsibility to ensure payment of the arrears.

Ever since the factory was shut, the workers have been running door to door of DEPZ officials to secure their dues.

"We also held several programmes in various areas, including the National Press Club in Dhaka," said Ashraf Ali, one of the workers.

DEPZ officials have repeatedly assured that the payments would be made, but these promises have not been kept yet.

"While it is difficult to run a family

without even a single month's salary, we have had to do it for the last 10 months amid the Covid-19 pandemic," Ali said, adding that they would continue the protest until the dues are paid.

Ujjal Hossen, another worker, said that DEPZ authorities are yet to resolve the issue even though they spoke to the workers about their demands many times.

Most recently, the DEPZ officials assured that they would pay the arrears by auctioning off the factory's equipment.

However, the DEPZ now says that the auction process has been suspended due to a stay order from the High Court.

"Therefore, we are seeking the prime minister's intervention," Hossen said.

Following the stay order, members of the Bangladesh Garment Sramik Sanghati and some workers of A-One BD rushed to the DEPZ authorities to discuss the issue.

"But they said they could do nothing until the court order is vacated," said Taslima Akter, president of the Bangladesh Garment Sramik Sanghati.

If the prime minister intervenes, the workers' suffering will come to an end, she added.

When contacted, Abdus Subhan, general manager of the DEPZ, said the workers would get salaries for three and a half months as arrears.

"We have already paid two months salaries to most of the workers," he said.

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Workers of A-One BD Limited, a closed factory of Dhaka Export Processing Zone, stage a sit-in protest demanding 10 months' arrears at Ashulia Press Club in Dhaka yesterday. The programme started at 10am on Tuesday which continued till filing the report around 4pm yesterday.

COLLECTED

Bill passed giving go-ahead to one-man company

STAR BUSINESS REPORT

The parliament yesterday passed Companies (2nd Amendment) Bill, 2020, keeping a provision related to the formation of one-man companies as part of efforts to boost investment and improve in the global ease of doing business index.

Commerce Minister Tipu Munshi placed the bill which was passed by voice vote.

The government hopes that this bill, once comes out as a law, will be able to attract huge foreign investment in the country, the minister said while placing the bill.

In the one-man companies, owner and shareholder would be a single entity, according to the bill.

A separate part with provisions over registration, operation and management of one-man companies were incorporated in the bill.

In case of winding up of a company, the repayment of debts of the company shall be given priority, says the bill. Another provision for an online registration system has been kept for companies.

According to the bill, the one-man company has to have a paid-up capital of at least Tk 25 lakh to a maximum of Tk 5 crore. The minimum turnover of that company in the immediate past year should be Tk 1 crore to Tk 50 crore.

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LR Global turns to Competition Commission to continue managing two mutual funds

STAR BUSINESS REPORT

LR Global Bangladesh Asset Management Company has complained to the Bangladesh Competition Commission, accusing a peer company of price manipulation after allegations were dismissed by the Supreme Court and the stock market regulator.

LR Global is the asset manager of DBH First Mutual Fund and Green Delta Mutual Fund. Mutual funds are investment tools that pool a fixed amount of money from investors to be reinvested in stocks for a certain period of time.

The company claimed that some institutional investors, led by VIPB Asset Management Company, are involved in price manipulation of the two listed funds.

LR Global also alleged that VIPB is trying to remove it from the two funds by involving other fund managers.

The Bangladesh Competition Commission issued a press release in this regard yesterday, confirming that it received a complaint from LR Global against VIPB.

The company's lawyer presented the allegations on behalf of his client while the accused party asked for time to prepare for the hearing.

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Turnover tumbles as investors gear up for Robi IPO

STAR BUSINESS REPORT

Turnover on the Dhaka Stock Exchange plunged 31 per cent to Tk 544 crore because of the thin participation of institutional and general stock investors as they are gearing up for Robi's initial public offering.

This is the lowest turnover, one of the key indicators of the market, in the last three and a half months.

Many institutional and general investors were in the selling mood. So, the index dropped along with the turnover, said a stockbroker.

The DSEX, the benchmark index of the bourse, fell 17.97 points, or 0.36 per cent, to 4,887.12.

Investors are selling shares to set aside

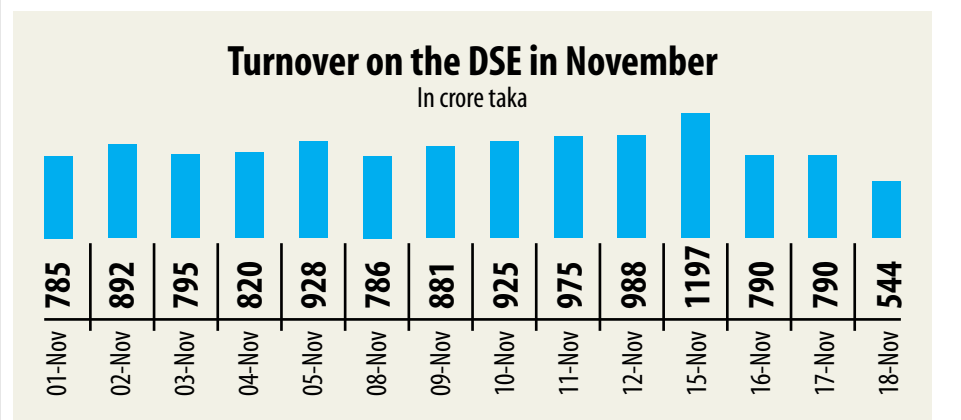
The general investors should not heed to the rumour. But, as the stocks are rising, investors are rushing towards them, he said.

"The stocks of the sound companies are almost immobile," he added.

Well-performing stocks are always good for investment despite lower return, said Mir Ariful Islam, a stock market analyst.

Investment decisions based on rumours may wipe out an investor's capital abruptly, he said. But this is not seen in case of well-performing stocks.

So, institutional investors make money at the end of the year. In contrast, many individual investors fail to count any profits, said Islam, also the head of research of Prime Finance Asset Management Company.



funds for the subscription of Robi Axiata, the stockbroker said.

The subscription of the biggest IPO in the history of Bangladesh began on Tuesday and will continue until November 23. The operator would raise Tk 523 crore.

Though the index was plunging, junk stocks rose. Most of the Z category stocks, the companies that are either not providing dividend or are closed, advanced.

Meghnapt Industries topped the gainers' chart with an increase of 10 per cent. Dulamia Cotton, United Airways, and Jute Spinners were also in the list.

The junk stocks are rising because of a rumour that gambling is taking place involving the stocks, said Abdul Haque, an investor.

Beximco Pharmaceuticals was the most traded stocks on the DSE yesterday, with its securities worth Tk 43 crore changing hands, followed by Square Pharmaceuticals, Brac Bank, Quasem Industries, and Associated Oxygen.

Of the stocks, 79 advanced, 174 declined, and 82 remained unchanged.

Genex Infosys lost the most giving up 9.15 per cent, followed by Hamid Fabrics, Familytex Bangladesh, SEMI IBBL Shariah Fund, and Mobil Jamuna.

Shares on the Chattogram Stock Exchange also fell. The CSEX, the benchmark index of the port city bourse, dropped 37.41 points, or 0.44 per cent, to 8,421.96.

Of the shares traded, 47 rose, 141 declined, and 50 remained unchanged.