STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES (STANDARD CHARTERED BANK)				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI		$USD	€EUR	£GBP	¥CNY
▲ 0.11%	▲ 0.51%	$1,847.50	$56.30	▲ 0.80%	▼ 0.38%	▲ 0.1%	▲ 0.47%	BUY TK	83.95	100.90	113.68	12.78
5,827.56	10,250.67	(per ounce)	(per barrel)	49,792.12	28,523.26	2,998.77	3,583.09	SELL TK	84.95	104.70	117.48	13.44

City

Star BUSINESS

DHAKA THURSDAY JANUARY 21, 2021, *MAGH 7, 1427 BS* ● starbusiness@thedailystar.net

Labour standards to decide fate of GSP Plus in EU

Experts say at discussion of CPD and Networks Matter of Brussels

STAR BUSINESS REPORT

Bangladesh is yet to fully address the EU's concerns related to improving labour standards, which is vital for getting duty benefit in the trading bloc after the nation's graduation from the least-developed country (LDC) status, the Centre for Policy Dialogue (CPD) said yesterday.

The independent think-tank said Bangladesh would leave the LDC club within the next five years.

It is important to ensure that Bangladesh's shipments to its largest export market—the European Union (EU)—do not suffer a major setback in the post-graduation period, it said.

For that, Bangladesh should become eligible for the EU's GSP+ scheme, a special tariff benefit for vulnerable low and lower-middle income countries that implement 27 international conventions related to human and labour rights and protection of environment and good governance.

The observations came at a virtual dialogue on the prospects of the EU's GSP Plus benefit for Bangladesh, jointly organised by the CPD and Network Matters, a research firm based in Brussels.

STAR/FILE

Obtaining the GSP Plus status is important for Bangladesh since the EU is the country's largest export destination for garments and other products.

Bangladesh as an LDC has been getting zero tariff benefits under the Generalised Scheme of Preferences (GSP) as part of Everything But Arms (EBA) initiative of the EU, a 27-nation trading bloc.

If the duty privileges under the EBA are withdrawn after graduation, exports of Bangladesh would face an 8.7 per cent duty on average and shipments would drop 5.7 per cent per year, CPD said.

"Overall, the continuation of tariff preference after LDC graduation is important for Bangladesh in all major markets, particularly the EU," CPD Research Director Khondaker Golam Moazzem said while presenting the keynote speech and findings of a study.

Diplomats, government high-ups, researchers and trade union leaders participated in the discussion, moderated by CPD Distinguished Fellow Mustafizur Rahman.

READ MORE ON B3

Radiant Pharma acquires Julphar for Tk 140cr

JAGARAN CHAKMA *and* AKM ZAMIR UDDIN

Radiant Pharmaceuticals has acquired Julphar Bangladesh, a subsidiary of United Arab Emirates-based multinational Julphar Gulf Pharmaceutical Industries, for around Tk 140 crore.

It is the latest development in a series of what seems to be an exodus of multinationals selling off their local ventures such as Pfizer of the US, Hoechst of Germany and Organon Pharmaceuticals of the Netherlands.

Soon to follow suit is Sanofi-Aventis France while GlaxoSmithKline of the United Kingdom has conducted lay-offs at their Bangladesh factory.

Radiant is one of the top 12 companies in terms of sales of drugs in the country. The company makes products for both local and international markets. In 2016, the company's drug sales amounted to Tk 609 crore. In 2020, the company's sales amount was Tk 861 crore.

Mutual Trust Bank is providing 70 per cent of the finance, or Tk 85 crore, for Radiant to make the takeover, said its managing director, Syed Mahbubur Rahman, adding, "We are happy to be part of the takeover process."

"The pharmaceutical company has a good potential to expand its business in the days ahead, encouraging us to invest the fund in the entity," Rahman said.

Radiant has already started exporting products and the volume may increase in the future, he said.

"(It is) our business expansion plan," said Md Nasser Shahrear Zahedee, chairman of Radiant Pharmaceuticals.

"The acquisition not only complements our technical facilities but also strengthens our strategic position with their field forces in the market," he said.

According to him, market demand for the Radiant's products has been growing by around 20 per cent in the past few years which encouraged them into acquiring the already-running Julphar factory.

Zahedee said the Julphar had a very up-to-date facility, better than theirs, which was the main reason for the takeover.

"If we had gone for setting up such a facility, it would have taken at least three years to go into production as Julphar also has an oncology facility," he noted.

READ MORE ON B3

RADIANT PHARMACEUTICALS

Julphar Bangladesh *Sustaining Health*

AT A GLANCE

Radiant started operations in 2008

Its turnover was Tk **861**cr in 2020

Total employees **4,500**

Julphar Bangladesh started journey in 2009

It's a joint venture between Julphar Gulf Pharma of the UAE and RAK Pharma

Total products **120**

Economy showing signs of turnaround

Says finance minister

STAR BUSINESS REPORT

Despite the effects of the ongoing coronavirus pandemic on various fronts of the economy, Bangladesh has been on the right track and is giving signals of a turnaround, Finance Minister AHM Mustafa Kamal said yesterday.

"We are heading towards our desired goal," he said while placing the review on implementation of a Tk 568,000 crore national budget for fiscal 2020-21 and the macro economy in the July-September quarter in parliament.

Kamal made the remark citing growth of the economy, per capita income, exports, remittances, increasing foreign exchange reserves and stable exchange rate in the first quarter of fiscal 2020-21, ending in June.

He said the pandemic-induced global economic downturn slowed the country's economic growth to 5.24 per cent in fiscal 2019-20, a year after it registered 8.15 per cent growth, which was the highest since 1974.

He said the government's timely initiatives and implementation of stimulus packages to reinvigorate businesses and economic activities were signalling that the economy was turning around.

The implementation of stimulus packages has been helpful in bringing dynamism in business activities, protect and create jobs as well as increase domestic demand, he said.

AHM Mustafa Kamal

"I want to firmly say that it will be possible to keep the pace of economic development in the rest of the period of the fiscal year," Kamal added.

The finance minister also said the government would focus on increasing public investment in health, education and human resource development, accelerate the pace of private sector credit flow, reduce poverty and increase export and import.

READ MORE ON B3

Govt goes tough on raw jute hoarders

None can store over 1,000 maunds for more than a month, says minister; bid to increase supply

STAR BUSINESS REPORT

Dealers or warehouse owners can now store a maximum of 1,000 maunds of raw jute for only one month, Jute and Textiles Minister Golam Dastagir Gazi said yesterday.

The government has set the limits to ensure smooth supply of the raw jute in the local market and speed up export, he said.

"The country's jute mills are struggling due to the scarcity of raw jute. So the jute and textiles ministry has ordered the Department of Jute to take effective steps in this regard."

Steps will also be taken to ensure that the unlicensed traders are barred from getting involved in sales, purchase or store of raw jute and none can sell or purchase wet jute, he said.

Gazi spoke at a meeting with the leaders of Bangladesh Jute Mills Association and Bangladesh Jute Spinners Association at the Secretariat in the capital.

The government has issued the order at a time when raw jute prices have almost doubled since the July-August harvesting season thanks to a supply shortage in the local market.

By the time, export earnings from jute yarn, twine, sacks and bags have also seen a huge rise.

READ MORE ON B2

STAR/FILE

The government has set the restrictions to ensure smooth supply of raw jute in the local market and speed up export.

Kattali Textile didn't cooperate during audit

Auditor says in disclaimer of opinion

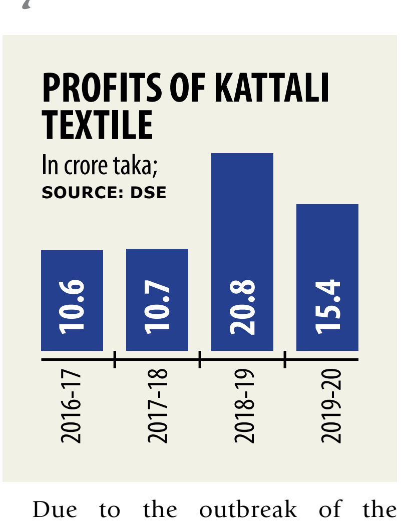
AHSAN HABIB

Kattali Textile did not cooperate with the auditors while they were looking into the company's financial reports for the year that ended on June 30, 2020.

The management of the company has also failed to provide the required documents regarding realisation and collection of revenue and purchase within due time.

The company's auditor disclosed the information in its disclaimer of opinion published by the Dhaka Stock Exchange (DSE) yesterday.

"In addition to that, we were unable to perform physical stock count and find no other ways to satisfy ourselves by alternative means concerning the inventory valuation and quantities held as per the statement of financial position," the auditor added.



Due to the outbreak of the pandemic, the auditors were unable to perform their planned audit work within scheduled timeframe because of lack of cooperation and evidence provided by the management of the company.

The company office and production facility were both declared as 'red zone' during the period of the scheduled audit work, it said.

"As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of above mentioned issues which could be pervasive and the elements making up the statement of profit or loss, statements of changes in equity and statement of cash flows."

The textile company, which was listed in 2018, reported earnings per share of Tk 1.43 for 2020 while it was Tk 1.45 the previous year.

On the basis of these earnings, the company announced 2 per cent cash and 8 per cent stock dividends for the year.

READ MORE ON B3

IDLC Venture invests Tk 4cr in Intelligent Machines

STAR BUSINESS DESK

IDLC Venture Capital Fund I is investing Tk 4 crore in an artificial intelligence-based tech startup, Intelligent Machines (IM), aiming to advance the country's digital revolution further.

The current funding round will support the IM's expansion in the AI enterprise sector, where it has been serving an eminent range of clients such as bKash, BAT, Unilever, Arla Foods, Telenor Myanmar and IDLC Finance.

The fund is being managed by IDLC Asset Management, a wholly-owned subsidiary by IDLC Finance, according to a statement.

READ MORE ON B3

PK Halder among 16 stock gamblers fined

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) has followed through its warning that no gambler would be spared, issuing fines on 16 investors, including Proshanta Kumar Halder, for engaging in the malpractice with shares of four listed companies.

Halder, who allegedly embezzled and laundered over Tk 10,000 crore of four non-banking financial institutions abroad and recently had Interpol issue a red notice against him following a request of Bangladesh Police, was fined Tk 25 lakh.

Md Amanat Ullah was fined the highest Tk 1 crore, said the stock market regulator in a press release yesterday.

The decision came in a commission meeting held at Securities Commission Bhaban chaired by BSEC Chairman Prof Shibli Rubayat Ul Islam.

"The investors broke section 17 (e) (v) of Securities and Exchange Ordinance, 1969," said the BSEC.

Other penalised investors are James Martin Das, Porimol Chandra Paul, Mallik Abu Bakkar, Md Tofazzol Hossain, Bidhan Mistri, Amal Krishna Das, Salek Ahmed Siddiqui, Samir Ranjan Paul, Sheuli Paul, Chitta Haran Datta, Setara Begum, Shawndip Corporation and Hal Industries.

PK Halder

READ MORE ON B3