

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
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



# Star BUSINESS

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## Certain criteria not met yet for GSP Plus benefits in EU

Experts say at virtual discussion of CPD and Networks Matter

STAR BUSINESS REPORT

Some gaps need to be plugged in the EU's nine-point action plan for Bangladesh in order to obtain the Generalised System of Preferences (GSP) Plus status after the country's graduation from a least developed nation in 2024.

One of the major gaps lies in the freedom of association as factory workers still need the participation of 20 per cent of their colleagues to form a union.

The threshold was reduced from 30 per cent through an amendment to the labour law.

However, the 20 per cent threshold is still high when considering that many factories have thousands of workers.

Besides, representatives of various workers' organisations complain that union leaders are only allowed to be selected from workers of the establishment concerned.

This enables employers to force out



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

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union leaders by firing them for other reasons, such as 'unruly behaviour'.

However, the term 'unruly behaviour' was not properly defined in the labour law, said Khondaker

Golam Moazzem, research director of the Centre for Policy Dialogue (CPD).

Moazzem made these remarks while he was presenting the keynote paper in a virtual discussion styled, "EU's EBA & prospect of GSP+ for Bangladesh: addressing challenges related to labour laws and rights", jointly organised by the CPD and Networks Matter, a research firm based in Brussels.

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## 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

**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**

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.

Besides, there is no requirement to take permissions afresh to continue production of Julphar's existing products because only ownership has changed, said Zahedee.

Zahedee said along with them, two to four other local companies as well as Indian companies were interested in buying the Julphar.

"We have reached a final stage in the overall analysis. As part of which we have signed an acquisition agreement and we have been in charge since July 15 last year. The acquisition process between the partners is over," he said.

But Bangladesh Bank has some rules for giving clearance, which are being abided by. "Once the clearance is received, I can say that the acquisition process has been completed," he noted.

Zahedee said he acquired 100 per cent share of the company. Julphar had 80 per cent share while the rest belonged to RAK Pharmaceuticals.

Julphar Bangladesh started its journey on July 31, 2009. The state-of-the-art manufacturing facilities on a 228,705 square feet area is located 42 kilometres north of Dhaka under Sreepur upazila of Gazipur district.

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## Economy showing signs of a 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



AHM Mustafa Kamal

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

"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.

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## Govt gets 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.

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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

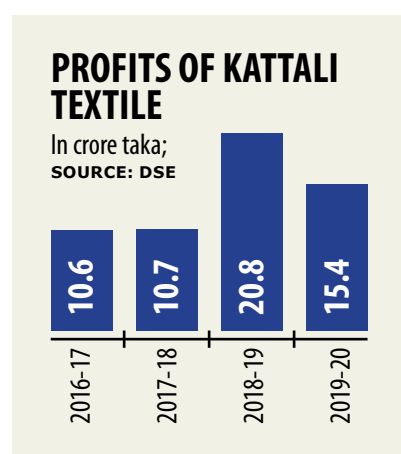
AHSAN HABIB

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.

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## 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.

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## 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



PK Halder

Abu Bakkar, Md Tofazzol Hossain, Bidhan Mistri, Amal Krishna Das, Salek Ahmed Siddiqui, Samir Ranjan Paul, Shuili Paul, Chitta Haran Datta, Setara Begum, Shawndip Corporation and Hal Industries.

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