

NBR removes customs duty on yellow peas



STAR BUSINESS REPORT

The National Board of Revenue (NBR) has removed customs duty on yellow peas in order to allow importers to bring the essential commodity without facing hassles from customs.

Officials and importers said import of peas was exempted from customs duty. However, 5 per cent import duty had been kept unchanged unintentionally creating disputes with importers.

"That is why, we have exempted the duty so that no ambiguity arises," said a senior official of the NBR.

Bangladesh annually imports nearly 6 lakh tonnes of peas, including yellow peas, as domestic production was insignificant. Annual cultivation of peas locally known

as 'Anchor dal' has been hovering around 18,000 acres over the last three years. Production has been stagnant at 7,000 tonnes, according to data by Bangladesh Bureau of Statistics (BBS).

At present, 5 per cent advance income tax is applied on peas, imported mainly from Canada and Russia, said importers.

Abul Bashar Chowdhury, chairman of Chattogram-based BSM Group, one of the leading commodity importer, said the withdrawal of customs duty on yellow peas will remove misunderstanding between importers and revenue officials.

Yesterday, retail prices of yellow peas were Tk 38-45 per kilogram, 11 per cent higher year-on-year, according to data compiled by the Trading Corporation of Bangladesh.

SMEs face long road to recovery

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During the period, he did not get the subcontracting orders from large factories he used to receive as even the bigger industrial units have been suffering from the shortage of orders from international clothing retailers and brands.

"I have been trying to get back more work orders from my buyers," said Karim, who received an order worth \$200,000 from a buyer this month.

He employs 150 workers. He has not terminated any worker despite the closure of the factory for three months.

"My business is reviving gradually, and I recently recruited a few workers," said Karim.

Despite the disastrous situation, some small entrepreneurs have done well, although their number is not high.

Z Pack, a small packaging factory at Salna in Gazipur, saw an increase in its business. The management of the factory did not close operations even during the pandemic.

"My buyers were satisfied as I supplied the products when almost all such factories were closed," said Mesbahul Alam, the proprietor of Z Pack.

"So, the buyers have continued placing work orders with me."

Alam recruited nearly 45 new employees, although he had wanted to hire 70 more workers to take the tally of the employees to 100.

During the pandemic, the entrepreneur helped many people financially. It came to his mind that it would be better if a job is offered to the workers so that they can earn money during the crisis, leading him to new hiring.

Before Covid-19, his monthly sale was Tk 30 lakh to Tk 40 lakh. Now, it has reached Tk 1 crore. Alam said there had been about a 20 per cent rise in the prices of packaging raw materials such

as chemicals, ink and plastic granola due to the abnormal hike in freight charges.

He received Tk 15 lakh in loans from the stimulus package.

The emerging agro-machinery tools business in the country has not spared from the severe impact of the pandemic.

Thousands of small and medium enterprises involved in the manufacturing of modern agriculture equipment have grown across the country due to the emergence of modern technologies in the farming sector.

"I have been struggling to revive my business as the sales of agricultural equipment dropped significantly due to the income losses of rural traders and affluent farmers," said Md Sheikh Saadi, managing director of Agro Machinery Industry, which produces mainly paddy reapers and grass cutters at his Darshana factory.

More than half of his 25 employees were terminated because of the pandemic.

"I am in big trouble also because my buyers are not paying Tk 1 crore for the product I sold on credit. My buyers are also in big trouble now," said Saadi. He said he failed to receive any loan from the stimulus package because of stringent conditions.

At least 80 per cent of CMSMEs were affected because of the pandemic, according to Md Ali Zaman, president of the SME Owners Association of Bangladesh.

Almost all CMSMEs were closed for at least three months between April and July. Big industrial units were not closed during the period, he said.

"Many of them could not complete the orders they received before the pandemic, so they did not get the payment."

Zaman blamed the stringent banking conditions that made it difficult for most CMSMEs

to receive the loan from the stimulus package.

"So, the financial flow to CMSMEs was severely affected," he said.

Some 70 per cent of the stimulus money was taken by the big units, he said.

The CMSMEs have not made the turnaround fully. As a result, employment in the sector has not rebounded. Most of the CMSMEs have halved the number of their employees as they are struggling to survive now, said Ferdaus Ara Begum, an expert on the CMSME sector.

"We are recovering, but it will take a long time," she said.

From the Tk 20,000-crore stimulus fund for CMSMEs, about 59 per cent has been disbursed so far, said Begum, also the chief executive officer of the Business Initiative Leading Development.

The introduction of a credit guarantee scheme, re-financing schemes, and some other facilities have expedited the disbursement of loans in the CMSME sector, she said.

Of the 8.8 million industrial units in Bangladesh, 99.8 per cent fall under the CMSME category, and most of the informal jobs for millions of people are generated by the CMSMEs in Bangladesh.

Md Masudur Rahman, chairman of the SME Foundation, said most of the CMSMEs missed two big business seasons, including Pahela Baishakh and Eid-ul-Fitr, last year.

"So, these units are struggling to survive," he said, adding that Tk 14,000 crore has been disbursed from the stimulus fund for the CMSME sector.

Another Tk 3,000 crore from the SME Foundation is set to be disbursed among the entrepreneurs at a 4 per cent interest rate.

"So, it is expected that the CMSMEs will revive within the next six months," he said.

Investors still chasing junk stocks

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However, the BSEC's steps are definitely praiseworthy as they will try till all mean are exhausted to make companies perform well again.

Despite such drawbacks, investors continue to make a rush for these companies.

This reflected on Bangladesh Industrial Finance Company (BIFC), Imam Button Industries, Zahintex Industries, Tung Hai Knitting and Dyeing, Talu Spinning Mills, Aramit Cement and some other junk stocks prevailing in the gainers' list on a couple of days last week.

The Aramit rose 38 per cent, BIFC 14 per cent, Imam 15 per cent, Zahintex 13 per cent, Tung 19 per cent and Talu 10 per cent in the past two weeks.

The investors need to be cautious about their investment and should think about the damage to their portfolios if the companies cannot make a rebound.

They should invest in good companies

so that their dividend returns can offset losses even if stock prices of the companies fall.

In fact, investors should invest taking into consideration the performance of companies and hold stocks for long periods of time in order to benefit as investment in junk stocks is too risky.

"When you invest into a well-performing stock, you will worry less, so why should a rational investor invest into junk," said Shahidul Islam, CEO of VIPB Asset Management Company.

"We always prefer top-performing companies to make investments," he said, adding that uncertainty remained over whether any junk stock would be able to make a comeback, so seeing investor taking risks was confounding.

The DSEX, the Dhaka Stock Exchange's (DSE) benchmark index, fell 17 points last week.

The daily average turnover, an important indicator of the market, rose 20 per cent to Tk 866 crore.

Local pharma makers fare well

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"Our medicine ingredients are mostly sourced from China and India but because of the Covid-19 situation, India banned the export of all raw materials related to Covid-19 medicine while China went into complete lockdown," he said. This led to a severe scarcity of medicine but still, the local pharma industry procured the ingredients at double the regular price while the cost of finished products remained the same, Hassan said in a statement from the BGCCI.

Hassan also said Beximco paid for the vaccine six months before it was approved, giving it the highest priority. The risk paid off and now the major challenge was ensuring vaccine supplies are adequate, he said.

"So, we are trying to find alternative sources along with AstraZeneca for 30 million more doses of vaccines. We are very confident that within the next few months we will come up with some good news," he added.

Abdul Mukhtar, chairman and managing director of Incepta Pharmaceuticals, said many countries do not have a fully developed pharma industry.

"Although officially we are still a least developed country, we have a fully developed pharma industry. Within a short time, our pharma industry will be at the same level of any developed country's pharma industry," he said.

Muktadir also said there were 265 registered pharmaceutical companies, of which 213 were in operation, including the importers. Currently, 97 per cent of the products are produced locally while the rest imported.

The current market size of the industry is \$3.09 billion and it has an annual growth rate of 13.17 per cent.

Mosharruf Hossain Bhuiyan, Bangladesh's ambassador to Germany, said prospects of exporting pharmaceutical products to Germany was bright as it was the 4th largest market in the world for pharmaceutical products.

He also said the export of Bangladeshi pharmaceutical products to Germany and other countries amounted to around \$150 million, which was still not an amount to be satisfied with. Given the capacity and capability of Bangladesh's pharmaceutical industry, the amount should surpass \$1 billion, he said.

The ambassador also assured providing full cooperation and following up with relevant authorities to facilitate the export of pharmaceutical goods to Germany and the import of machinery from there.

Muain Uddin Mazumder, managing director of Sanofi Bangladesh and vice-president of the BGCCI, moderated the webinar while Omar Sadat, BGCCI president also spoke.

Government of the People's Republic of Bangladesh
Local Government Engineering Department
Office of the Executive Engineer
District: Sylhet
www.lged.sylhet.gov.bd

Memo No. 46.02.9100.000.07.001.20-662
Date: 09/03/2021

Tender Notice (Open Tendering Method)

Tender Notice No. 34/2020-21

Sealed tenders are hereby invited as defined in the tender documents for the under mentioned works as per terms and conditions stated below:

Sl No.	Name of works	Tender security (Tk)	Completion time (days)	Price of tender documents (Tk)
01	Supply of Spare Parts and Maintenance of China Road Roller No. SYL-RLS-10-008.	3,000.00	30	150.00
02	Supply of Spare Parts and Maintenance of Bomag VT Roller No. SYL-RLV-05-001.	8,000.00	30	300.00
03	Supply of Spare Parts and Maintenance of Bomag VT Roller No. SYL-RLV-4.5-011.	10,000.00	30	300.00

- Method of procurement : Open Tendering Method (OTM).
- Source of fund : GOB.
- Date, time and place of pre-tender meeting : Date: 18 March, 2021, Time: 11:00am and Place: Office of the undersigned.
- Last date, time and places of selling tender documents : 05-04-2021, Time: Up to office hour and a) Office of the Deputy Commissioner, Sylhet. b) Office of the Superintendent of Police, Sylhet. c) Office of the undersigned. d) Office of the Upazila Engineer, LGED, Upazila: Sadar, District: Sylhet.
- Last date, time and places of receiving tender documents : 06-04-2021, Time: 12:00 Noon and a) Office of the Deputy Commissioner, Sylhet. b) Office of the Superintendent of Police, Sylhet. c) Office of the undersigned. d) Office of the Upazila Engineer, LGED, Upazila: Sadar, District: Sylhet.
- Date, time and place of opening of tender : 06-04-2021, Time: 3:00pm and office of the undersigned.
- Tender shall be valid for a period of 90 days after bid opening and must be accompanied by the tender security specified above. Interested tenderer may obtain further information from the office of the undersigned and purchase the tender documents in Cash/Treasury Chalan/Bank Draft from the places mentioned above. The tenderer or their authorized representatives are allowed to attend the opening of tenders. The authority reserves the right to accept or reject any or all the tenders without assigning any reason whatsoever.
- The Tender Notice will be available on the website: www.lged.gov.bd & www.lged.sylhet.gov.bd.

Md. Enamul Kabir
Executive Engineer
LGED, Sylhet
Phone: 0821-716116
E-mail: xen.sylhet@lged.gov.bd

GD-509

Government of the People's Republic of Bangladesh
Ministry of Cultural Affairs
Bangladesh National Museum
Shahbag, Dhaka-1000

Memo No. 03-A-602/2020-2021/3035
Date: 10/03/2021

e-Tender Notice

e-Tender is invited in the National e-GP Portal (<http://www.eprocure.gov.bd>) for the procurement of following works:

Sl No.	Tender ID No.	Name of work	Tender opening & closing date & time
01	556653	Creation and installation work of dinosaur sculptures at Bangladesh National Museum.	31-Mar-2021 17:00:00
02	556608	Maintenance and servicing of automatic fire suppression system for 03 years of Bangladesh National Museum.	31-Mar-2021 17:00:00
03	556492	Repair and Maintenance work of Main Building & Gallery of Bangladesh National Museum.	31-Mar-2021 17:00:00
04	556440	Maintenance and Painting of Residential Building-04 of Bangladesh National Museum.	31-Mar-2021 16:00:00
05	556164	Supplying of Chemicals for antique treatment and taxidermy of Conservation laboratory and Natural History Department of Bangladesh National Museum.	31-Mar-2021 16:00:00
06	556111	Repair renovation and maintenance of Residential Building-02 of Bangladesh National Museum.	31-Mar-2021 16:00:00
07	556072	Maintenance of surface water line of main building with other buildings of Bangladesh National Museum.	31-Mar-2021 15:00:00
08	556048	Construction of False Ceiling Septic Tank & Soakwell for Ansar and Police Barrack at Ahsan Manzil Museum	31-Mar-2021 15:00:00
09	555963	Repair Renovation Maintenance & Painting of Residential Building-03 of Bangladesh National Museum	31-Mar-2021 15:00:00
10	540237	Supplying of Books of Bangladesh National Museum.	31-Mar-2021 17:30:00

This is an online tender, where only e-Tender will be accepted in National e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, please register on e-GP System (<http://www.eprocure.gov.bd>). Further information and guidelines are available in the National e-GP System Portal and from e-GP helpdesk (helpdesk@eprocure.gov.bd). For more details please contact support desk contact numbers.

Gazi Md. Wali-ul-Hoque
Secretary
Bangladesh National Museum
Email: secretary@bnm.gov.bd
Phone: 02-9674796

GD-503

BB to form Tk 500cr fund for startups

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Banks will be allowed to keep lower provisioning against the loans compared to that required for regular loans.

Currently 20 per cent of a classified loan of sub-standard category has to be kept as provisioning.

But lenders will be allowed to keep 5 per cent in provisioning against the start-up loans.

Banks will have to keep 30 per cent

provision for doubtful loans and 50 per cent for bad loans under the start-up fund whereas it is 50 per cent and 100 per cent for the two types of general loans.

Keeping lower provision against the start-up fund will encourage banks to disburse loans to new entrepreneurs.

In addition, every bank will have to form separate start-up funds by way of taking money from their own sources, said the central bank official.

Denim Expert's Mostafiz 'sustainable fashion champion'

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Last year World Economic Forum made an honourable mention of Denim Expert in its "New Champion" award category for extraordinary leadership in sustainability and inclusivity in the apparel supply chain.

"Described as a pioneer by many in the industry, Mostafiz was the first contributor from Bangladesh to the Zero Discharge of Hazardous Chemicals Foundation, and the first denim manufacturer in the country to join the UNFCCC for Climate Action," said the Drapers judges.

They highlighted him being the founder and CEO of Bangladesh Apparel Exchange, which aims to bridge the gap between manufacturers, buyers and policymakers in the country to accelerate sustainability.

"During the pandemic our winner put his head above the parapet to campaign for the rights of Bangladeshi suppliers facing cancelled and unpaid orders," they added. Jill Geoghegan, acting editor of Drapers, said, "Despite the challenges thrown up by the coronavirus pandemic, fashion brands and retailers increasingly recognise that sustainability is a business imperative."

"Many businesses continued to invest in cleaning up their supply chains and introducing new models of working, despite the unprecedented trading conditions," according to Mostafiz.

"During the pandemic, I was vocal about the issue of buyer-supplier relationships and, in speaking out, I wanted to champion the cause of suppliers all over the world," he said.

"Too often suppliers in garment supply chains do not have a voice because they fear that by speaking out, they will be treated unfavourably by brands," he said.

"All I want to see is a fair, ethical and sustainable industry where buyers and manufacturers work in an environment of collaboration, not conflict," he added.

The judges were namely Kerry Bannigan, founder of Conscious Fashion Campaign, Sarah Ditty, global policy director of Fashion Revolution, Miriam Lahage, founder of Aequip, Samata Pattinson, CEO of Red Carpet Green Dress, Caroline Rush, CEO of British Fashion Council, Lucy Shea, group CEO of Futerra, Jane Shepherdson, chairman of My Wardrobe HQ, and Dilys Williams, director of the Centre for Sustainable Fashion.

EXPORT COMPETITIVENESS FOR JOBS (EC4J) PROJECT

EXPORT READINESS FUND

Enhancing Environmental, Social and Quality Standards of Bangladeshi Enterprises through the Export Readiness Fund - Apply for a grant today!

Funded by the World Bank and implemented by the Ministry of Commerce, the **Export Readiness Fund (ERF)** is a component of the **Export Competitiveness for Jobs (EC4J) Project**. The ERF is a **US\$10 million** programme which provides matching grants to eligible Bangladeshi firms to identify gaps, catalyse investment and improve Environmental, Social and Quality (ESQ) standards, and, thus, improve competitiveness on the export markets. Grants are provided for technical assistance, training and equipment investments to help eligible firms address their ESQ compliance gaps and upgrade their factories and operations, including improving production processes and enhancing product quality. ERF targets four key sectors: **leather and leather goods, footwear, plastics, and light engineering, respectively.**

ERF has already awarded grants to over 400 Bangladeshi enterprises to carry out ESQ assessments under funding Window 1 which is now closed for applications.

Grants are currently available on a **first come, first served** basis under the following funding streams:

- ✓ **Window 2:** The Small ESQ Grant Window, covering business and technical services of up to **US\$40,000**; and,
- ✓ **Window 3:** The Large ESQ Grant Window, covering projects in both services and fixed asset expenditures up to **US\$200,000**.

For more information on how to apply for a grant, please contact the ERF Management Unit and visit the ERF website (see details below).

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