

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.96%	▲ 0.96%	\$1,781.87	\$69.55	▲ 0.88%	▼ 0.83%	▼ 0.8%	▼ 0.81%	BUY TK 83.95	99.88	115.89	12.72
5,588.83	9,738.32	(per ounce)	(per barrel)	48,677.55	28,812.63	3,153.59	3,446.86	SELL TK 84.95	103.68	119.69	13.38

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Star BUSINESS

DHAKA THURSDAY MAY 6, 2021, BAIASHAKH 23, 1428 BS • starbusiness@thedailystar.net

Jobs restored, incomes not

Pandemic-hit respondents say in CPD-Oxfam survey

STAR BUSINESS REPORT

Although almost all the people who had lost their jobs in April to May last year because of the pandemic-induced economic downturn found jobs by February, 86 per cent said they are not earning enough to meet their daily necessities, according to a survey.

It also found that people's working hours shrank significantly, and they cut food expenditure and other expenses, obtained credit, and lost their savings.

The nationally representative household survey was conducted by the Centre for Policy Dialogue (CPD) in association with the Oxfam Bangladesh. Some 2,600 households in 16 districts took part.

The findings were presented at a virtual dialogue organised by the think-tank and the Oxfam Bangladesh in association with the Citizen's Platform for SDGs, Bangladesh yesterday.

Of the respondents, more than 60 per cent lost their jobs at some point in April and May in 2020 when the lockdown was in place to quell the virus. They did not find jobs for 95 days on average.

On a positive note, almost all of the people returned to work by February when the adverse impacts of Covid-19 started to recede, the survey report said.

Most of the incremental employment was generated in the agriculture sector (18.45 per cent). At the same time, many people left the



Carrom helps staff of inter-district launches keep occupied since restrictions continue to be imposed on vessel movements since April 14. People's working hours have shrunk significantly and they have cut food and other expenditures, says a survey. The photo was taken near Shyambazar area in Dhaka recently.

FIROZ AHMED

services sector (4.38 per cent).

"Given the nature of economic recovery, it is likely that structural transformation went backwards," said Towfiqul Islam Khan, senior research fellow at the CPD, while presenting the findings.

The fieldwork for the survey was conducted between late January and early February 2021, so it did not capture the second wave of the pandemic.

About 78 per cent of the households surveyed had reduced expenditure to cope with the impact of the pandemic, while 52 per cent changed dietary patterns involuntarily.

About half of the households experienced a decline in savings, and

more than half had to resort to borrowings. The average loan size doubled last year.

Only 20 per cent of the households received some form of support from the government. A higher number of households got support from private sources, such as friends, family, neighbours, and charities.

The study found more than 85 per cent of the people who had jobs before the pandemic were unemployed for more than one month after the virus hit the country. The average income of individuals eroded by about 12 per cent.

"The decline in income has pushed a significant number of people into lower-income groups, indicating a higher poverty incidence. At the same time, income inequality increased," Khan said.

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Chemical plants suffer for delays in soda ash import

Textile and glassware units also bear the brunt, complain that Indian suppliers abruptly increased prices

REFAVET ULLAH MIRDHA

Production in a number of local chemical, textile and glassware factories is facing setbacks for delays in the shipment of soda ash by Indian exporters over the past four months.

Soda ash, also known as sodium carbonate, is a highly soluble substance used for numerous chemical reactions. It is mostly used as an ingredient in the manufacture of dyes and colouring agents, synthetic detergents, fertilisers, glass and gum.

Bangladesh does not produce this chemical and its annual demand for 3 lakh tonnes is met through imports. Although one source is China, over 70 per cent comes from India mainly because of a shorter lead time and lower prices, said importers.

The Daily Star received complaints over the matter from a number of factory owners.

Indian exporters are delaying shipping over 50,000 tonnes of soda ash for which letters of credit (LCs) were signed four or five months back at a rate of \$210 to \$220 per tonne, alleged local consumers, millers, importers and traders.

When explanations are sought over the delays, the exporters are citing excuses of price hikes in international markets, including of freight charge.

However, those being bought at rates ranging from \$320 to \$340 per tonne are

KEY POINTS

- ▶ Importers fixed prices of soda ash at \$210-\$220 per tonne during striking deals
- ▶ Indian exporters raised the price to \$320-\$340
- ▶ Despite deals, 50,000 tonnes of soda ash is yet to be shipped from India
- ▶ Freight charge rises to \$60/tonne from \$30
- ▶ Bangladesh meets 70pc of its requirement from India and rest from China and Pakistan

being promptly shipped.

The LCs had freight cost set at \$30 per tonne but now the Indian exporters are demanding \$60 per tonne, citing high demand for a scarcity of ships, said importer Partho Roy.

Small importers are mostly facing troubles as the Indian exporters are mainly focusing on timely delivery of big consignments, he said.

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Elected uncontested, 78 FBCCI directors named

REFAVET ULLAH MIRDHA

The election board of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) yesterday declared the names of 78 directors who were elected uncontested.

The 78 directors will represent the country's business community for the next two-year term.

This is yet another showcase of the absence of participatory elections at the country's apex trade body.

The leaders of the FBCCI have been chosen either through partial election or were selected on the basis of consensus among the potential candidates, said a former presidential hopeful and several former directors earlier.

Fake voters and political pressure exerted by the voters backed by ruling parties mainly dominated the election over the last few years, they said, all on condition of anonymity.

This has been going on for the last six years, depriving the voters of the opportunity to choose their leaders through participatory elections.

"As per our election scheduled, we have declared the names of the 78 directors formally," said Shamsul Alam, a member of the election board.



Now, the directors will elect the president and vice-presidents for the 2021-23 tenure. Md Jasim Uddin, chairman of newly launched private lender Bengal Commercial Bank, is scheduled to be elected president as none is contesting him.

The FBCCI election for the 2021-23 tenure was scheduled to be held yesterday. However, the election was cancelled as four directors, two each from chamber and association groups, withdrew their candidature last week. After the withdrawal of the nomination papers by the four hopefuls, the posts of 23 directors from each of the chamber and association groups were filled up automatically. As a result, the election did not take place.

The directors are scheduled to elect the president and the vice-presidents on May 7.

This time, the president will be named from the association group and senior vice-president from the chamber group.

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Square Pharma set to launch factory in Kenya

AHSAN HABIB

Square Pharmaceuticals will launch its production facility in Kenya within the next four months in a move that will considerably enhance the company's earnings from East African nations.

The local drug maker broke ground on its manufacturing plant in Nairobi back in 2018 and although the unit was initially set to begin production in 2020, the project was delayed by unavoidable circumstances.

"However, it is now in the final stage of implementation despite the Covid-19 situation," said Samuel S Chowdhury, chairman of Square Pharmaceuticals, in the company's annual report for 2019-20.

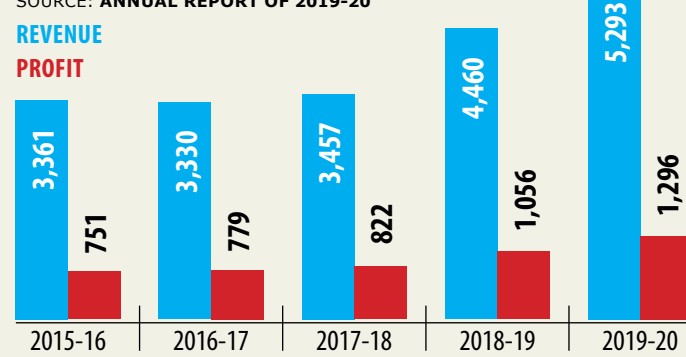
"As the situation improves, the company will continue to avail every opportunity to further expand and join the club of multinational companies in Bangladesh," he added.

With the state-of-the-art machinery, Square Pharmaceuticals Kenya EPZ Ltd aims to fulfil the

GROSS REVENUE AND PROFITS OF SQUARE PHARMA

In crore taka

SOURCE: ANNUAL REPORT OF 2019-20



unmet demand for medicine in Kenya, Tanzania, Rwanda, Burundi, Uganda and South Sudan.

The total project cost is estimated to be \$17 million and working capital is \$3 million, as per the company's annual report.

Of this amount, \$12 million will be financed by Square Pharmaceuticals as equity

investment while the rest will be financed through loans.

"We have a meeting with the industry ministry of Kenya today because the plant is almost ready," Tapan Chowdhury, managing director of Square Pharmaceuticals, said yesterday.

Chowdhury made these comments at a virtual programme



organised by the Centre for Policy Dialogue.

"We will hopefully be able to start manufacturing at the plant by July or August," he added.

This is a first for the country that, with permission from Bangladesh Bank, a local company is establishing a drug production facility abroad.

"This is a big step for Bangladesh," Chowdhury said.

In the Kenyan company, Square Pharmaceuticals holds 100 per cent nominal share capital of 80 crore Kenyan shillings (KSH) having 8 lakh shares of KSH 100 each (1 Kenyan shilling equals US\$ 0.0093).

The principal activity of the company is to manufacture and sell generic pharmaceutical products in Kenya and a majority of the East African community.

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Banking hours extended ahead of Eid

STAR BUSINESS REPORT

Bangladesh Bank yesterday instructed the country's lenders to extend their operating hours to 2:00pm from today in order to help clients complete their banking activities smoothly ahead of Eid-ul-Fitr.

People will now be able to enjoy banking services from 10am to 2pm instead of 1pm, according to a central bank notice.

However, branches will remain open until 3:30 pm to complete their regular procedures.

Banks will have to continue operating on these limited hours until May 16, the notice said.

The decision came after the government extended the restrictions on public movement until May 16 to keep the coronavirus pandemic at bay.

The central bank notice, however, has not given any indication on the alternate-day duty rosters for employees.

Banks have followed the rostering system for their employees since 14 April as per the central bank and government instructions.

A Bangladesh Bank official said that banks would take a decision on their own to fix the number of employees operating their branches.

Bank employees will not be allowed to leave their working localities during Eid vacation either, it added.

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Govt to import 50,000 tonnes of rice from India thru railways

Cabinet approves 14 purchase proposals involving Tk 3,638cr

STAR BUSINESS REPORT

The government will import 50,000 tonnes of parboiled rice from India through the railways for the first time.

The cabinet committee on purchase approved the proposal at a meeting chaired by Finance Minister AHM Mustafa Kamal yesterday.

The rice will be imported from India's Kolkata and Chhattisgarh by the railways through Benapole, Darshana and Rohanpur borders, Shahida Akhter, additional secretary of the cabinet division, told a virtual media briefing after the meeting.

The rice will be brought through the railways from India for the first time so that it can be imported in the shortest possible time, she said.

Indian firm Saurabh Industries Ltd will supply the rice at \$386 per tonne, she said, adding that the estimated price will be Tk 32.73 per kg.

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Orion Pharma stocks soar on vaccine production talks

STAR BUSINESS REPORT

Stocks of Orion Pharmaceuticals topped the gainers' list with a 9.83 per cent rise yesterday after the news broke that the pharma company wants to produce Covid-19 vaccine in the country.

The local drug maker has communicated with the Russian Direct Investment Fund (RDIF) and approached them to transfer required technology to produce Covid-19 vaccine at its own production plant, according to a posting published on the website of the Dhaka Stock Exchange (DSE).

The stock of Orion Pharma started jumping with the breaking of its vaccine news and at one moment no seller of the share was found at the market as everyone wanted to hold it for long for higher profits.

RDIF is Russia's sovereign wealth fund established in 2011 to make equity co-investments, primarily in Russia, alongside reputable international financial and strategic investors.

Since the start of the Covid-19 pandemic, RDIF has played a key role in fighting the virus in Russia.

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