



## Shwapno clocks record sales growth

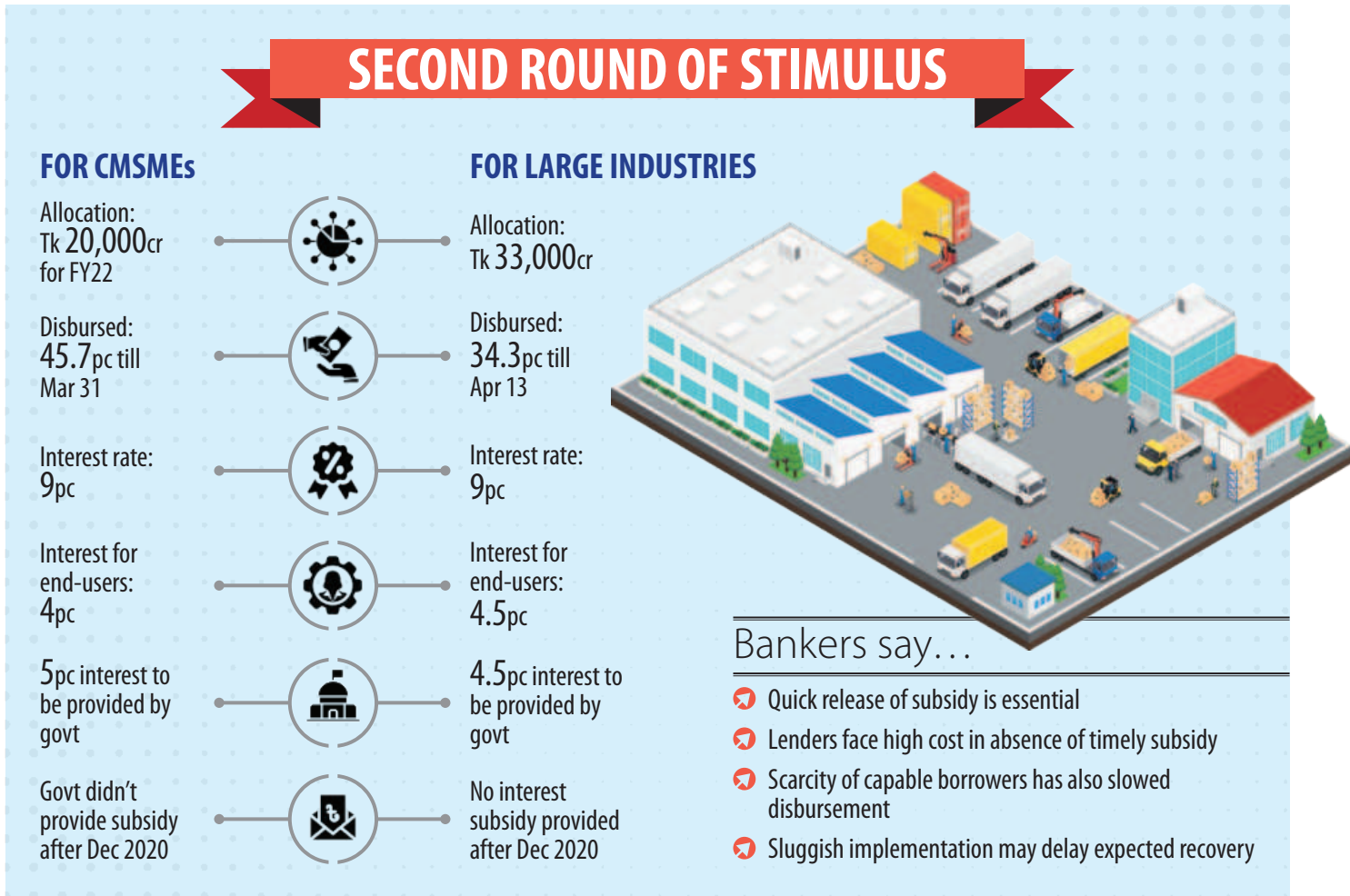
AHSAN HABIB

Shwapno, the largest retail chain in Bangladesh, posted the biggest growth in turnover in the last financial year, driven by higher sales through its e-commerce platform and teleservice amid the coronavirus pandemic. Turnover rose 18.7 per cent year-on-year to Tk 1,375 crore in the last financial year that ended in June. It was Tk 1,156 crore in the previous year, according to the recently published annual report of ACI Ltd, the owning company. This was the highest growth of the retail chain since its inception in 2008. "Our e-commerce and teleservice helped us increase turnover during this period," said Sabbir Hasan Nasir, executive



director of ACI Logistics, which operates Shwapno. Its franchise expansion outside Dhaka has continued, helping it register the record sales growth whereas some competitors suffered de-growth. "Shwapno employees were motivated to work hard as they did not see any job cut. Moreover, their increment was given despite the hard time brought on by the pandemic," Nasir said. Shwapno has roped in several partners to deliver groceries and other everyday essentials at the doorsteps of customers. The superstore chain has introduced its own home delivery through teleservice for the customers who prefer direct communication with the stores rather than through online platforms. It helps it make deliveries to 11,000 customers every month, according to the directors' report of ACI Logistics. Shwapno express outlets have kept their stellar growth, serving about 14,000 customers daily. The e-commerce platform is growing in

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### STIMULUS FUNDS

## LENDING LOSES STEAM for slow release of interest subsidy

AKM ZAMIR UDDIN

Bangladesh's economy might fail to benefit from the government's timely rollout of stimulus packages for cottage, small, medium and large industries as banks have lost the zeal to extend loans since interest subsidy was not paid out at the expected pace as initially thought. The unwelcome development came as banks and non-bank financial institutions disbursed only 34.3 per cent of Tk 33,000 crore funds allocated for large industries as of April 13 of the current fiscal year, according to data from the central bank. Similarly, lenders loaned 45.7 per cent of Tk 20,000 crore set aside for the cottage, micro, small and medium enterprises (CMSMEs) between July and March. Officials of commercial banks and the BB say that lenders had not received any interest subsidy from the government after December 2020, so they are not encouraged to disburse the loans. Lenders were supposed to receive interest subsidies to the tune of Tk 286 crore between

April 2020 and June 2021 on their CMSME loans, but they got only Tk 78.6 crore. A central banker termed the process of providing the interest subsidy lengthy. In April 2020, the BB unveiled the stimulus package worth Tk 20,000 crore for the CMSME sector to protect

it from the impacts of the coronavirus pandemic. Of the sum, 77 per cent was disbursed. Banks are allowed to charge a 9 per cent interest rate on their disbursed loans. The end-users get the loan at a 4 per cent interest rate. The government provides 5 per cent as an interest subsidy to lenders. The tenure of the first round of the stimulus package expired in June last year, prompting the central bank



Office of the Controller General of Accounts (OCGA), the debit authority of the fund, but it is yet to release the amount, he said. The Daily Star tried to communicate with three senior officials of the OCGA, but they could not be reached for comments over mobile phones. The BB recently sat with lenders to gear up the loan disbursement under the CMSME package. The lenders

requested the central bank to take prompt measures for the release of the interest subsidy. The scenario is the same when it comes to the stimulus package for large industries as lenders did not receive any subsidy after December 2020. The central bank has not furnished the finance ministry with the subsidy data for 2021 and this year. As per the government decision, lenders are permitted to enjoy an interest rate of 9 per cent on the loans under the stimulus package. The end-users are getting the fund at a 4.5 per cent interest rate. The rest of the interest will come from the government. The first round of the stimulus package for the large industries, involving Tk 40,000 crore, was unveiled in April 2020 and lenders collectively disbursed 82 per cent of the fund by the end of the last fiscal year. The size of the fund is Tk 33,000 crore this fiscal year. Contacted, Mohammad Salauddin Tapadar, a joint director of the central bank who played a major role in formulating the packages, said

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## Soybean oil at Tk 110 a litre for TCB cardholders Sales begin next month

REFAYET ULLAH MIRDHA

The Trading Corporation of Bangladesh (TCB) will resume selling soybean oil at Tk 110 a litre to one crore TCB cardholder families from next month, Senior Commerce Secretary Tapan Kanti Ghosh said yesterday. "We are procuring edible oil from local and international markets to sell at lower prices as the domestic prices have gone up thanks to a hike in global crude edible oil rates," Ghosh told The Daily Star. This time the government is trying to import edible oil directly through the TCB, he said. Bangladesh foreign missions have already been contacted for procuring edible oil through the state-run corporation, Ghosh also said. "This time the price may be little higher than the previous rate of Tk 110 a litre because of a rise in its local rates."

**This time the government is trying to import edible oil directly through the TCB, Senior Commerce Secretary Tapan Kanti Ghosh said**

"The price is not fixed yet. But we will try to fix it at Tk 110 a litre for bottled oil," the senior commerce secretary also said. The TCB cardholder families have been provided with edible oil at Tk 110 a litre for a month before the Eid-ul-Fitr. Moreover, the open market sale of oil along with few other basic commodities by the TCB will restart through 400 trucks in Dhaka and other divisional cities in the middle of May, Ghosh said. "We will hold a meeting with the refiners, millers and wholesalers of edible oil on May 9 or 11 to know the situation of stocks, imports and global market of edible oil." Last month, the commerce ministry requested the National Board of Revenue (NBR) to cut import duty on canola, sunflower, and olive oil to 10 per cent from the existing 32 per cent by July this year to boost their imports. The current market situation is so volatile that the ministry may ask the NBR to implement the duty cut by this month, he added.

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STOCKS			WEEK-ON WEEK
	DSEX ▲	CASPI ▲	
	0.10% 6,651.44	0.07% 19,489.78	

COMMODITIES			AS OF FRIDAY
	Gold ▲	Oil ▲	
	\$1,883.86 (per ounce)	\$110.56 (per barrel)	

ASIAN MARKETS				FRIDAY CLOSINGS
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
	▼ 1.56% 54,835.58	▲ 0.69% 27,003.56	▼ 1.55% 3,291.89	▼ 2.16% 3,001.56

## Eid cheers up battered tourism Hotels, resorts doing brisk business

SUKANTA HALDER and MAHMUDUL HASAN

Hotels and resorts in tourist destinations across Bangladesh are enjoying brisk business thanks to the long holiday afforded by most industries in the current festival season centring Eid-ul-Fitr as they look to partially recover pandemic-induced losses. Industry people say the busiest days were the first four days after Eid day on May 3, and they expect good business in the coming days. As such, occupancy rates crossed 90 per cent in most hotels and resorts during the holiday despite it being the off-season. In Bangladesh, winter is the peak season for tourism, starting from November and ending in mid-April. "The demand for room bookings was immense from May 4 to 7 as holiday makers hit the beach city of Cox's Bazar to celebrate Eid," said Abdul Kaium Chowdhury, managing director of Hotel The Cox Today. Hotel The Cox Today, which has 270 rooms, witnessed 90 per cent occupancy during the first four days after Eid. "However, demand will fall from tomorrow [today]," he told The Daily Star. "This is the off-season for Cox's Bazar but still, business has been great," said Chowdhury, who is general secretary of the Cox's Bazar Hotel Motel Owners Association. Cox's Bazar, the country's top holiday spot with about 500 hotels, motels and resorts and 2,000 food outlets, has drawn guests in good numbers. Rashed Mahmud, chief executive officer of Grace Cox Smart Hotel, said his hotel witnessed 100 per cent occupancy in the first four days after Eid.

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The pandemic stalled domestic tourism for the past two years but people are rediscovering the beauty of Bangladesh this time around. The photo was taken on Friday from Shada Pathor tourist spot in Sylhet's Companiganj upazila.

PHOTO: SHEIKH NASIR

## Production of rock halted since May 1 Company blames lack of explosives

OUR CORRESPONDENT, Dinajpur

Maddhapara Granite Mining Company Limited (MGML) has halted hard rock production since May 1 due to a lack of the explosives needed to extract the material from underground, according to company officials. This is the second time this year that MGML's activities have been disrupted for the same reason. Germania Trest Consortium (GTC), the company contracted by MGML to procure and maintain its mine in Parbatipur upazila of Dinajpur, had earlier suspended production on March 12 after its cache of explosives ran dry.

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