



Trucks and other vehicles moving through the BSCIC industrial estate in Tangail leave deep gashes in their wake as the roads have become a slush of mud and water due to the poor drainage system. Meanwhile, an illegal kitchen market at the estate grants just about anyone access to the factory areas.

PHOTO: MIRZA SHAKIL

Poor infrastructure failing Tangail BSCIC estate

MIRZA SHAKIL, Tangail

The Bangladesh Small and Cottage Industries Corporation's (BSCIC) industrial estate in Tangail has long been gripped by a myriad of troubles, including poor roads and drainage system, according to industry operators.

Besides, the industrial area is not getting a smooth electricity supply while an unapproved kitchen market that occupies two plots remains an issue of conflict among BSCIC authorities, locals and traders.

Industry operators are demanding the market be removed for security reasons while traders and locals want to keep it where it is.

The kitchen market is a security risk as there is no boundary wall to separate it from the industrial area, they said.

However, BSCIC officials say they cannot remove the market for being barred by locals, including public representatives.

The BSCIC estate, established on 23 acres of land in the Taratia area of Tangail sadar upazila, was inaugurated on June 5, 1986.

Currently, 65 units covering 130 plots collectively are operating in the industrial area while the remaining two plots on the east side have long been occupied by the kitchen market.

According to the Tangail sadar upazila parishad, establishment of the kitchen market was never approved.

The two plots were allocated to Masud Enterprise in 1999 but the BSCIC



authorities could not remove the kitchen market in the last 23 years.

During a recent visit, it was found that not only are the roads and drains in poor condition, but waste is openly dumped inside the industrial area.

In addition, the lack of boundary walls in certain places allows just about anyone to enter and exit the premises freely.

Moreover, the untreated waste that is too toxic for dumping on roads are poured into the nearby Louhajang river, polluting its water badly.

Industry operators also informed that traders from the illegal kitchen market organise a weekly market each Sunday, when they sit with their goods inside the main industrial area.

"The market was here before the BSCIC industrial area was set up so if it

is removed, many people will become unemployed while locals will have to travel several kilometres for buying necessities," said Mobarak Hossain, president of the Taratia Bazar Committee.

"So, locals have urged the authorities concerned not to remove the kitchen market," he added.

Khalekuzzaman Chowdhury Maznu, chairman of Karatia union parishad, said they have applied to the district administration to keep the market there permanently considering the interest of locals.

Shahjahan Ansary, chairman of the Tangail sadar upazila parishad, said the kitchen market was established during the Pakistan period.

Local people and also people from nearby towns come to the market to

buy various necessities at cheaper costs compared to other markets.

"So, we want to keep it there," he added.

On the other hand, Abul Mansur, president of the factory owners' association in the BSCIC industrial area, said the illegal market causes security concerns for them as people can easily move through the market into factory areas.

"The authorities should immediately remove the illegal market and block the area with a boundary wall for the sake of security," he added.

Mansur went on to say that roads inside the industrial estate have long been damaged while the poor drainage system allows water to remain stagnant during times of rain.

Asked about the matter, Jamil Hossain, an official of the Tangail BSCIC, said they have already written to the higher authorities to implement development projects for the battered roads and drainage system in the industrial area.

"A five-year plan was also sent," he added.

Hossain then said they have long been urging the district administration to evict the illegal kitchen market, but to no avail.

Dr Ataul Gani, deputy commissioner of Tangail, said a decision was previously taken to remove the kitchen market from the BSCIC plots.

However, it was ultimately not possible due to different unavoidable reasons, including the coronavirus pandemic.

"An initiative will be taken again to evict it as soon as possible," he added.

SMALL BUSINESSES

How to navigate a recession

SALEKEEN IBRAHIM

A recession is a substantial decline in overall economic activity, lasting more than a few months, typically visible in real gross domestic product, actual income, employment, industrial production, and wholesale-retail sales.

In maximum recessions, economic productivity and employment decline simultaneously. Ultimately, higher unemployment leads to lower consumer spending and that creates a vicious cycle.

Since Bangladesh's economy is currently in the graduation stage, a recession will have a significant adverse impact on economic growth. The economy will receive a blow if we are not serious in the precaution stage.

Recessions are bad news for small businesses. For small businesses with little cash reserves, the general economic belt-tightening and expense mounting can make it

harder for sales growth, procurement at fair prices, and the overall cash flow system of any enterprise.

However, it might not be all bad news, though with the right preparation in place. We may come out better than most if we act properly with adequate groundwork during and before a recession.

To start with, we have to remember when a recession hits, clients take a little longer to pay up, and we have to be aware of the probability that some may not be able to pay at all.

Cash flow is the biggest issue concerning small businesses. Without handsome cash reserves to fall back on, we can get stuck relying on clients' prompt payments. Monitoring and follow-up for collection need special focus.

When people are tightening their purse strings, we need to tighten our business belts as well. Cutting on unnecessary spending and renegotiating vendor agreements with more favourable terms might be the area of application during a recession.

During a recession, it is important to do whatever we can to stay top-of-mind for customers. Despite the financial hardships we may be experiencing, be sure to budget funds for marketing with a cost to create a strong online presence and do our best to stay in front of your customer's minds.

Happy customers increase business. Repeat and referral business is exceedingly important in a recession. Ensuring that our end-users are happy is vital in any economy, especially in a recession. When money gets tight, everyone looks for ways to cut expenses.

In a stable business, we allow our employees to pursue various types of activities—some profitable, some may not. Getting into a recession is the best time to perform an audit of our employees' activities and get a very clear understanding of what is profitable.

This might not be a good time when we should be investing heavily in completely new business ventures. Rather, it is worth testing out some creative ideas with our existing products and offerings. During tough times, we probably won't be thriving unless we are really lucky. More than anything we should be in maintenance mode.

Traditionally, we should focus on debt repayments ahead of a recession. In some ways, it makes sense to get that major burden out of the way. Sometimes it's smarter to continue making minimum payments on existing debts during recessions.

Recessions can be scary for a small business owner but oftentimes they can help us find places to optimise our business. When we go through a hostile situation, we are able to build confidence in our abilities. Buckle down and focus on what we can control. The right moves will set you up for success in the coming days.

The writer is a banker

Walton Hi-Tech suffers losses in Jul-Sep quarter

STAR BUSINESS REPORT

Walton Hi-Tech Industries PLC suffered losses in the July-September quarter owing to the price hike of materials, higher freight costs, vulnerable market conditions and the devaluation of the taka against the dollar.

The electronics giant posted a Tk 46.05 crore loss in the first quarter of 2022, against a profit of Tk 281.12 crore during the identical three-month period a year earlier.

Thus, it reported negative earnings per share (EPS) of Tk 1.52 for July-September against Tk 9.28 during the same quarter a year earlier, according to the unaudited financial statements.

The EPS decreased mainly due to the price hike of materials, freight cost, vulnerable market conditions and the devaluation of the taka against foreign currencies, especially the US dollar, said Walton in a filing on the Dhaka Stock Exchange (DSE).

In addition, Russia's invasion of Ukraine has hampered the prospects of the post-pandemic recovery and transported the new scenario of continuous higher inflation around the globe that has led to the fall in the purchasing capacity of consumers and adversely influenced the overall profitability of the company, it said.

The net operating cash flow per share surged to Tk 36.44 in July-September from Tk 4.33 a year earlier.

The net asset value per share without revaluation was Tk 214.75 on September 30 and Tk 231.34 on June 30. The NAV per share with revaluation was Tk 318.06 on September 30 and Tk 334.68 on June 30. Shares of Walton Hi-Tech were unchanged at Tk 1,047.70 on the DSE yesterday.



A man works at the shipyard of Western Marine in Chattogram. The shipyard was built on 42 acres of land and employs 3,500 people, including more than 500 marine and technical experts.

PHOTO: STAR/FILE

Western Marine incurs losses for 2nd year

STAR BUSINESS REPORT

Western Marine Shipyard Limited posted losses in the financial year that ended on June 30.

The ship manufacturer incurred a loss of Tk 1.18 crore in 2021-22 against Tk 94.08 lakh a year earlier.

The company reported negative earnings per share of Tk 0.05 for the last financial year compared to Tk 0.04 in negative in 2020-21.

So, the board of directors did not recommend any dividends for 2021-22.

The net asset value per share of Western Marine slipped to Tk 21.08 in 2021-22 from Tk 23.40 in 2020-21, while the net operating cash flow per share rose to Tk 0.44 from Tk 0.34 during the period.

Established in Chattogram in 2000, the shipyard is located over 42

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