



Abdul Jabbar has held to his ancestral skill of making baskets out of bamboo and cane alongside four to five families in Alankari union of Sylhet in spite of the availability of cheaper alternatives made of plastic nowadays, and the right type of bamboo and cane being harder to source. He hopes the upcoming paddy harvest season will increase demand for this type of basket to some extent for the purpose of measuring grains. The photo was taken recently.

PHOTO: SHEIKH NASIR

## Proper use of credit guarantee scheme vital for CMSME revival

Says a BB deputy governor at DCCI workshop

### STAR BUSINESS REPORT

Proper utilisation of the credit guarantee scheme is needed for the revival of cottage, micro, small and medium enterprises (CMSMEs), said Bangladesh Bank Deputy Governor Abu Farah Md Nasser yesterday.

He made the comments at a workshop titled "Issues and Opportunities of CMSME Lending" organised by the Dhaka Chamber of Commerce & Industry (DCCI), according to a press release.

The BB has created a fund of Tk 2,000 crore as a credit guarantee scheme with a view to giving collateral free loans, especially to CMSMEs. But of the sum, only Tk 192 crore has been disbursed as of yesterday.

"This is disappointing," said Nasser.

According to the deputy governor, in order to reach out to CMSMEs, banks should think of establishing more sub-branches rather than agent banking outlets. "This

is because setting up sub-branches help to cut extra administrative costs."

The deputy governor said the manufacturing and service sectors should get priority in getting loans to control inflation, considering the global scenario.

He urged experts to think about developing an online marketplace and using blockchain to develop an alternative to the traditional loan system.

The central bank identified 19 clusters and Nasser urged banks to give CMSME loans under the clusters.

DCCI President Rizwan Rahman said the CMSME sector plays an important role in helping the economy grow but due to a lack of policy and financial support, "we can't fully utilise this sector."

"Commercial banks and financial institutions sometimes feel reluctant in giving out loans to CMSMEs."

As of 2022, some 73.77 per cent of the stimulus package of Tk 14,746 crore has

been disbursed but most of the sum went to medium enterprises.

"Regulators should give CMSMEs more access to information and communication technology and financial assistance so that they can have the ability to manufacture a lot and competitiveness in the supply chain," said Rahman.

In Bangladesh, there are more than 7.8 million CMSMEs.

Their contribution to the gross domestic product is 25 per cent now, and in 2024, it will be around 32 per cent and will reach 40 per cent by 2027, according to Md Jaker Hossain, director of the SME and Special Programmes Department of the BB, while presenting a paper.

"So, there is no scope of growth without CMSMEs."

If an entrepreneur seeks a loan under the stipulated threshold with proper papers, banks have no choice but to sanction the loan, he said, adding that the

central bank plans to disburse 50 per cent of the total loan to cottage, micro and small industries and at least 15 per cent to women-run CMSMEs.

"Only banks are not sufficient to ensure loans for CMSMEs. We may utilise the alternative capacity of microfinance institutions, the NGO Foundation, Karmasangsthan Bank, the BSCIC, and the SME Foundation," said Md Nazeem Satter, general manager of the SME Foundation, while making a presentation.

"Both banks and clients have to be responsible for a successful loan agreement. Banks should be proactive and clients should be ready with all necessary documents."

He said there are more than 10,000 branches of banks and if the country can utilise them, there will be no need for a specialised bank for SMEs.

"We need to go for target financing to create an ecosystem."

## Bangladesh's trade with Switzerland crosses \$1b

Says Swiss envoy

### STAR BUSINESS DESK

Bilateral trade between Bangladesh and Switzerland surpassed the \$1 billion threshold for the first time last year, according to Swiss Ambassador to Bangladesh Nathalie Chuard.

"This year has been significant for both Switzerland and Bangladesh. We are celebrating the 50th anniversary of bilateral relations and our bilateral trade for the first time last year surpassing the symbolic \$1 billion threshold," Chuard said.

The Swiss ambassador made this statement at the 11th annual general meeting of Switzerland-Bangladesh Chamber of Commerce and Industry (SBCCI) at Radisson Blu Dhaka Water Garden in

**Together much more can be done to strengthen the bilateral economic ties and address questions related to business climate, said Swiss Ambassador Nathalie Chuard**

the capital recently, according to a press release.

Terming SBCCI as a member of "Team Switzerland" in Bangladesh, she also mentioned that together much more can be done to strengthen the bilateral economic ties and address questions related to business climate.

Mohammad Afroz Jalil, country manager of Roche Bangladesh Ltd, has been elected president of the chamber for a two-year term (2022-2024).

Clarithem Limited Director Saad Omar Fahim (secretary general), SGS Bangladesh Country Manager Abdur Rashid (vice-president), and Tutelar Oil Services Company Executive Director Vidiya Amrit Khan (vice-president), Kuehne+Nagel Country Manager Tarun Patwary (treasurer) have also been elected.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (NOV 12, 2022)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 62-Tk 72	-3.6 ↓	8.6 ↑
Coarse rice (kg)	Tk 46-Tk 52	-2 ↓	5.38 ↑
Loose flour (kg)	Tk 60-Tk 62	7.96 ↑	79.41 ↑
Lentil (kg)	Tk 100-Tk 105	5.13 ↑	17.14 ↑
Soybean (litre)	Tk 170-Tk 175	7.81 ↑	21.5 ↑
Potato (kg)	Tk 24-Tk 28	0	4 ↑
Onion (kg)	Tk 50-Tk 55	16.67 ↑	-8.7 ↓
Egg (4 pcs)	Tk 44-Tk 48	-5.15 ↓	22.67 ↑

SOURCE: TCB



Subrata Ranjan Das, executive director of ACI Motors, cuts a cake at the ACI Centre in Tejgaon, Dhaka on Friday to celebrate a six-year partnership of ACI Motors and Yamaha in Bangladesh. Senior officials of both the organisations were present.

PHOTO: ACI MOTORS



Mohammad Masoom, managing director of Citizens Bank, cuts a ribbon to inaugurate the bank's Nayanpur Bazar branch in Brahmanbaria's Kasba on Thursday. Md Rashadul Quaser Bhuiyan, chairman of Kasba Upazila Parishad, Masud Ul Alam Tanim, upazila nirbahi officer of Kasba, and Waheed Imam, senior vice-president of the bank, were present.

PHOTO: CITIZENS BANK

## Rejoinder, our reply

FROM PAGE B4  
a false report without checking the authenticity of the facts. Even the reporter did not feel necessary to ask me to clarify the matters. The reality is that all these allegations against me and my family were brought by the illegal Board of Directors that was formed by the PK Halder gang.

By now, we all know that PK Halder deliberately damaged multiple financial institutions in this country by embezzling thousands of crores of taka and his loyal board members of BIFC were an enabler of his crime. So, their allegations against my family are part of the widespread conspiracy.

We appreciate that the Honorable High Court has terminated PK Halder associated board members and appointed new directors. The court also stated that in the last five years, "P. K. Halder embezzled around Tk 500 crore from this institution. To cover up their crime,

they purposefully shifted the blame on the shoulder of the founder chairman of the board, Major (Retd) Abdul Mannan and his family with the intention to damage our image and reputation.

In reality, Major Mannan and other sponsor directors were forcefully removed from the board in 2015, when BIFC was a profitable financial institution".

Finally, the High Court removed PK Halder-appointed board of directors, which is an initial step towards the right direction.

However, the reporter should not have missed the following facts:

I and other shareholders raised the BIFC paid-up capital from Tk 2.5 crore in 1998 to Tk 100 crore by 2013. My board ran BIFC profitably until 2014 before the board was hostilely taken over by the PK Halder gang.

During my period, the total loan outstanding against 42 borrowers was Tk 176 crore confirmed by the

audit report of Howlader Yunus & Co, dated April 14, 2017.

As part of the cover-up and diversionary tactics, the PK Halder board linked me and my family with the BIFC's regular loan given to 42 borrowers over a period of 11 years (2005-2015). The remaining outstanding loan against these 42 borrowers was Tk 176 crore which was cunningly inflated to Tk 518 crore by the PK Halder board.

The 42 borrowers have been willing to repay Tk 176 crore with interest. However, the PK Halder board, instead of allowing them to repay the outstanding loans, filed a number of Artho-Rin-Adalot cases for Tk 850 crore and that indeed had created an impasse in the loan recovery from the 42 borrowers.

I have been negotiating with the current court-appointed board to get Tk 176 crore repaid by the borrowers, which, however, are still waiting for the current board decision. Meanwhile,

I paid Tk 10 crore as on December 2021 by the order of the Hon'ble High Court. Thus, the balance of the loan from 42 borrowers has remained at Tk 166 crore as of now.

PK Halder's siphoning of Tk 510 crore of BIFC money during 2016-2020 has been confirmed by the Bangladesh Bank, which the shareholders want to be returned as soon as possible.

We appealed to the Honorable High Court for the installation of the shareholder's board, elected through the 18th annual general meeting held in August 2018, which is pending in the High Court.

### OUR REPLY

The rejoinder ignores the fact that our report is fully based on the findings of two well-known and highly reputed state organisations: the Bangladesh Bank and the Anti-Corruption Commission. The facts in our article came from the official documents of the two organisations.

## Pabna's Benarasi Palli

FROM PAGE B4  
Meanwhile, the two factories operating in the commercial zone are being run by merchants who do not own the plots even though there is no scope to hand over allotments from one person to another.

"We established two factories in Ishwardi Benarasi Palli, where we have been operating 30 looms to produce 25 to 30 cloths a week," said Md Shariful Alom, manager of Zaman Textile in Sirajganj's Belkuchi upazila.

"All our products are supplied to Aarong but we do not have enough facilities in the state-owned commercial plot," he added.

Alom then said security is the main concern for them.

"When investing in the Benarasi Palli, we were told the commercial estate would be well protected and all processing factories would be established in the same venue so we would not need to go outside campus," Alom said.

However, not one processing plant has been set up at the estate while there is not a single security guard present either.

As a result, thieves cut the electricity wires while it becomes a den for drug peddlers at night. And due to the growing jungle, workers do not dare move freely in fear of snakes and wild insects.

"The lack of maintenance has made it risky to invest in the estate," he added.

In-charge of Benarasi Palli Obaidur said he is the only manpower of the office due to the lack of investment.

"But if weavers go for establishing factories, then a processing plant, security and other facilities will be ensured," he added.

Asked how the two factories have been operating without being owned by plot holders, he said nobody can sell their land or hand it over to another but have done so without official documents.