

CARE holds job fair in Kurigram

STAR BUSINESS DESK

A daylong job fair was organised in Kurigram by CARE Bangladesh in an effort to alleviate poverty.

Around 400 young male and female visitors arrived from around the district on the premises of the deputy commissioner's office while jobseekers submitted their resumes and interacted with potential employers, the development organisation said in a statement yesterday.

Strengthening Household Ability to Respond to Development Opportunities (Shouhardo) III, a project of CARE, with support from its partners MJSKS and Technical Training Centre, Kurigram facilitated job opportunities for skilled youths in the fair.

Kurigram Deputy Commissioner Sultana Pervin attended the opening ceremony as chief guest.

Ishrat Shabnam, chief of party of Shouhardo, a project of CARE Bangladesh; Mirza Mohammad Nasir Uddin, vice principal of Kurigram Government College, and Ahsan Habib Nilu, president of Kurigram Press Club, also spoke.

Pran-RFL Group, Ayasha Abed Foundation, bdjobs.com and Dutch-Bangla Pack also took part.

Coronavirus hammers travel, tourism stocks in Hong Kong

AFP, Hong Kong

Travel, tourism and property stocks tumbled in Hong Kong on Wednesday as panicked investors fretted over the economic impact of the virus in China that has now killed at least 132 and infected more people than SARS on the mainland.

Dealers returned to trading floors for the first time after the Lunar New Year break and instantly began to sell, joining a global retreat that has wiped more than a trillion dollars off valuations.

The crisis comes just as the city was trying to recover from the impact of the China-US trade war and months of sometimes violent protests that drained confidence in the local economy.

At the end of the day, the Hang Seng

Index was down 2.8 percent, though that was an improvement on the first few minutes - which saw it lose more than three percent - as traders took heart from a strong lead by Wall Street and Europe.

The outbreak carries echoes of the SARS crisis of 17 years ago, which paralysed regional travel and battered local economies. Chinese tourist numbers then fell by around a third.

The latest outbreak is expected to deal a massive blow to China's already-fragile economy, coming during the Lunar New Year holidays when millions criss-cross the country and spend billions of dollars. It also comes just as data indicated some sort of stability in the economy after a long-running slowdown.

Firms linked to travel and tourism took a beating as big-spending

Chinese tourists stayed at home with Beijing clamping down on people's movement. Macau casino operators, which derive most of their cash from mainland gamblers, tanked.

Sands China dropped 5.6 percent, while Galaxy Entertainment dropped 5.2 percent and Wynn Macau lost 4.1 percent. Among property firms, New World Development retreated 3.4 percent and Henderson Land was 2.7 percent lower.

Cathay Pacific Airways, which has its main hub at Hong Kong International Airport, lost more than three percent. The carrier has said it would be "progressively reducing" flights to and from mainland China by at least half from January 30 to the end of March. Air China was also off three percent.

Historically bad toxic loan situation makes govt creative

FROM PAGE B1

Annual financial statement of the PAMC will have to be submitted to both the government and the central bank.

Experts -- and the immediate past finance minister -- welcomed the move cautiously: its success rests on ensuring corporate governance.

"I think the PAMC can improve the situation. It depends on how the company decides which asset it will take and in what condition," AMA Muhith, former finance minister, told The Daily Star in an interview earlier this month.

If the PAMC does that stringently, there is no chance of banks exploiting it and dumping their bad assets on it.

"At the same time, banks whose assets are being taken over PAMCs, those banks must be punished in another way," Muhith added.

The government should amend all financial sector related laws such as Banking Companies Act 1991, the Money Loan Court Act 2003 and the Bankruptcy Act 1997 before commencing the operation of the PAMC, said Zahid Hussain, former lead economist of the World Bank's Dhaka office.

Habitual defaulters frequently misuse the loopholes of the acts to be kept themselves from getting punishment, he said.

The government should clamp down on the wilful defaulters, confiscating their passports and boycotting them socially and economically.

"The PAMC will not work out at all if

the habitual defaulters continue to enjoy impunity for their delinquency," Hussain said.

Fahmida Khatun, executive director of the Centre for Policy Dialogue, echoed the same.

She said the draft act for the proposed PAMC mentioned that 12 out of 13 directors will come from government organisation, which is not a good idea at all.

"The financial regulators have showed frustrating performance in improving governance in the sector in recent years. So, how will they operate the PAMC properly?"

The government should consider academicians, economists, representatives of civil society and the private sector for the formation of the PAMC's board of directors, Khatun said.

"It is a good step beyond doubt, but the initiative will not be successful if governance cannot be strengthened," said Syed Mahbubur Rahman, managing director of Mutual Trust Bank.

Default loans may go up further if both lenders and borrowers think that they will be able to transfer their toxic assets to the PAMC.

"So we have to implement our rules and regulations strictly to sidestep such situation."

The standard of collateral taken by banks is not good at all.

"So how the PAMC will fix the valuation of the collaterals is an important issue," said Rahman, also an immediate past chairman of the Association of Banks, Bangladesh, a forum of managing directors of banks.

Meena Bazar in talks to take over Agora

FROM PAGE B4

Since then, customers' turnout increased gradually alongside the number of stores.

Today, Bangladesh has more than 150 supermarkets and convenience stores. Annual turnover in organised grocery retail sector rose 19 per cent year-on-year to Tk 2,300 crore in 2019, according to operators.

The sector has been registering 24 per cent compound annual growth.

Yet, organised grocery sector accounts for 2 per cent of wholesale and retail trade as 5 per cent VAT on sales keeps many customers away from superstores and is holding back the sector from expanding at a brisk pace, according to operators.

Insiders said Rahimafrooz formed its partnership with Brummer & Partners in 2009 to expand business and improve services, a year after ACL entered the superstore chain-based trade.

It could not expand that much.

However, a board member of Agora said it had three stores when Brummer and Partners, Sweden's largest hedge fund manager, invested in Agora. Today, Agora's total number of stores have increased to 17 and the Swedish firm has about 70 per cent stake in Agora, the second biggest superstore chain after Shwapno.

While most of the South Korean investments are in the labour-intensive garment manufacturing sector, new funds are flowing in to power, shipbuilding, housing and banking.

According to the embassy, more than 20 big Korean companies showed interest in Bangladesh last year as the investment climate was improving very fast.

"Hopefully we have been able to make some contributions in making Agora bigger than what it was. We had been in it for 10 years. But when any foreign investor invests, it has to exit sometime. This is that phase," he said.

The sector will continue to grow and has great prospects as the supermarket landscape is still very small, the Agora board member added. As the majority shareholder of Agora wants to sell its stakes, Rahimafrooz is also not willing to continue, said a senior official of Rahimafrooz on condition of anonymity.

"Both of us put some money and we want to make some money," he said seeking to remain unnamed.

Contacted, Niaz Rahim, director of Rahimafrooz (Bangladesh), said in a text message: "Negotiation is progressing." He did not give any further detail.

Insiders said Meena Bazar wants to buy Agora's operations to increase its volume of sales to ensure profitability in the low margin sector, taking advantage of Agora's existing setup. Shwapno, a concern of ACL, is the biggest retail supermarket with more than 120 stores, including 61 Shwapno stores and 67 franchisees, known as Shwapno Express, mostly in Dhaka and Chattogram.

Korean firm seeks 700 acres urgently

FROM PAGE B1

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Bangladesh's exports to South Korea is on the rise but the trade gap is still heavily tilted towards the Asian economic giant.

In fiscal 2018-19, Bangladesh's exports stood at \$370 million, according to data from the Export Promotion Bureau.

South Korea's exports to Bangladesh in fiscal 2017-18 stood at \$1.2 billion. Last year's export data is not available with the Bangladesh Bank yet.



Finance Minister AHM Mustafa Kamal and Padma Bank Chairman Chowdhury Nafeez Sarafat cut a cake at the bank's annual business conference at a hotel in Dhaka on Tuesday.



Abu Reza Khan, managing director of Summit Technopolis, and Niranjana Sharma, CEO of Claron Fiberoptics, a Mumbai-based optical fiber cable manufacturer, sign a land lease agreement at Kurmitola Golf Club in Dhaka recently for setting up an optical fibre cable manufacturing unit on 1.02-acre land at Summit Technopolis at Bangabandhu Hi-Tech City in Gazipur's Kaliakair.

Mobile subscribers demand weekly public complaint hearings

FROM PAGE B4

BTRC Chairman Md Jahurul Haque acknowledged the existence of the issues and stated that the government needed to amend the telecom act, Ahmed said.

The association also alleged that mobile carriers were using far less spectrum against what was required for the existing number of customers.

They are also not purchasing spectrum at sufficient volume as the price was very high, as a result of which coverage and service quality were not up to the mark, he said.

Spectrum is a state asset and it needs to

be utilised for citizens. So spectrum prices need to be cut so that mobile operators avail sufficient spectrum and offer better services that will ultimately give a boost to the government exchequer as well, they said.

The government is getting more than half of the earnings from the mobile sector in the form of VAT, tax, revenue sharing and other charges.

The association also urged the telecom regulator to set up a laboratory to determine the quality of mobile handsets and identify health hazards.

Make prompt LC payment or face the music

FROM PAGE B1

So, banks have been ordered to make timely import payments while following due diligence; otherwise the central bank will take punitive measures against wrongdoers.

In breach of global norms, some banks do not make import payments in order to provide extra facilities to their clients, said a bank official requesting anonymity as he is not authorised to speak with media.

Clients get extra time to adjust the bank loans against their LCs if their lenders do not duly make import payments, he added.

This is a good initiative as it will help restore the country's financial image, said Syed Mahbubur Rahman, managing director of Mutual Trust Bank.

"The country's LC confirmation charge

is higher than in Pakistan. Our sovereign credit rating is better but despite that, we have to pay extra charge," Rahman said.

Foreign banks have a negative image of some local banks as they did not settle their LCs in line with banking rules and regulations, added Rahman, also the previous chairman of the Association of Banks Bangladesh, a forum for managing directors of banks.

Md Arfan Ali, managing director of Bank Asia, echoed the same.

The illicit collaboration between banks and clients should be stopped for the greater interest of the country's financial sector, said Ali, who hopes that the central bank's instructions will help bring discipline to the banking sector.

US deficit seen ballooning over \$1tn this year: CBO

AFP, Washington

The US budget deficit is expected to swell this year to over \$1 trillion and remain above that level for a decade as government debt balloons, the independent Congressional Budget Office said Tuesday.

Because of the large deficits, CBO said the US debt will grow to 98 percent of the size of the American economy by 2030 -- the highest share since 1946 -- and continue to rise "far higher than it has ever been" to 180 percent of GDP by 2050.

Following President Donald Trump's massive tax cut package at the end of 2017, the deficit has been marching higher, despite administration promises that reducing taxes for corporations and the wealthy would pay for themselves.

The budget gap came in just under the \$1 trillion mark last year but is expected to average \$1.3 trillion from 2021 through the end of the decade, according to the CBO's latest forecasts.

While low US interest rates have reduced the cost of the debt, which helps hold down projected deficits, the CBO said "a combination of recent legislation and other changes increased them." "If current laws governing taxes and spending generally remained unchanged, federal deficits would continue to be large by historical standards from 2020

through 2030 and beyond," the budget office said.

The agency forecast US economic growth will be 2.2 percent this year, adjusted for inflation, "largely because of continued strength in consumer spending and a rebound in business fixed investment." GDP growth is expected to average 1.7 percent over the coming decade, according to the updated forecasts.

Trump is counting on having a strong economy as a selling point to win a second term in the November election, even as he endures an impeachment trial that could remove him from office.

But the multi-front trade wars Trump has pursued have crimped investment and left the US economy producing solid but not stellar growth that's less than what's needed to reduce deficits.

No time to procrastinate - Treasury Secretary Steven Mnuchin continues to reject claims the 2017 tax cuts have caused runaway budget deficits and insists they would pay for themselves ultimately, although he acknowledged that to get there spending will have to be reined in.

"But there's no question we need to slow down the rate of growth of government spending because we can't sustain these deficits growing at these levels," he said last week, while also promising more tax cuts, this time for middle-class Americans.

Bangladesh Lamps Limited							
Sadar Road, Mohakhali Dhaka - 1206							
2nd Quarterly Financial Statements							
October-December 2019							
STATEMENT OF FINANCIAL POSITION (UN-AUDITED)							
AS AT 31 DECEMBER 2019							
	As at 31 December 2019	As at 30 June 2019					
	Taka	Taka					
ASSETS							
Non-current assets							
Property, plant and equipment	92,420,193	99,419,154					
Investments:							
At cost	88,527,133	88,527,133					
Fair value adjustment	411,694,255	551,934,109					
	500,221,388	640,461,242					
Loans and deposits	5,557,931	7,280,859					
Total non-current assets	598,199,512	747,161,255					
Current assets							
Inventories	586,663,560	452,793,718					
Trade and other receivables	196,426,794	311,997,657					
Advance, deposit and prepayments	21,556,443	31,191,205					
Advance income tax	341,115,164	321,791,849					
Cash and cash equivalent	118,811,836	115,128,810					
Total current assets	1,264,573,797	1,232,903,239					
TOTAL ASSETS	1,862,773,309	1,980,064,494					
EQUITY & LIABILITIES							
Capital and reserves							
Share capital	93,706,080	93,706,080					
Reserves and surplus	586,955,964	771,582,217					
Shareholders' equity	680,662,044	865,288,297					
Non-current liabilities							
Deferred liability - gratuity payable	53,264,435	51,753,995					
Deferred tax liability	33,341,501	49,588,062					
Total non-current liabilities	86,605,936	101,342,057					
Current liabilities							
Short term finance	698,891,262	599,998,886					
Trade and other payables	114,774,826	144,487,908					
Other liabilities	96,926,911	87,667,795					
Provision for tax	184,912,330	181,279,551					
Total current liabilities	1,095,505,329	1,013,434,140					
TOTAL EQUITY & LIABILITIES	1,862,773,309	1,980,064,494					
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2019							
	1 July to 31 December 2019	1 July to 31 December 2018	1 October to 31 December 2018				
	Taka	Taka	Taka				
Revenue	554,021,453	773,878,913	774,710,614				
Cost of sales	(420,270,541)	(595,614,834)	(711,375,089)				
Gross profit	133,750,912	178,264,079	63,335,525				
Other income	5,547,835	5,191,514	3,371,169				
Operating expenses	(152,283,423)	(149,674,462)	(177,743,235)				
Profit/(loss) before net finance cost	(13,382,646)	33,781,131	(11,036,541)				
Finance cost	(79,306,826)	(75,623,465)	(76,215,602)				
Finance income	4,430,512	4,004,306	2,234,462				
Net finance cost	(24,876,294)	(21,619,159)	(13,981,140)				
Profit/(loss) before contribution to WPPP	(38,258,962)	12,161,972	(25,017,681)				
Contribution to WPPP	-	(579,140)	(181,739)				
Profit/(loss) before income tax	(38,258,962)	11,582,832	(25,017,681)				
Income tax:							
Current tax	(3,632,782)	(5,484,965)	(3,956,905)				
Deferred tax	2,222,576	1,528,345	1,190,816				
Net profit/(loss) for the period	(39,669,168)	7,626,212	(25,764,850)				
Other comprehensive income:							
Changes in fair value of financial assets	(140,235,854)	72,215,321	(75,307,211)				
Deferred tax (income)/expense	34,023,585	(7,221,532)	7,330,721				
Other comprehensive income/(loss)	(106,212,269)	64,993,789	(67,976,490)				
Total comprehensive income/(loss)	(145,881,437)	72,618,991	(93,540,599)				
Earnings per share (per value Tk. 10 each)	(4.23)	0.81	(2.75)				
STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2019							
	1 July to 31 December 2019	1 July to 31 December 2018					
	Taka	Taka					
A. Cash flows from operating activities							
Collection from customers	767,936,228	916,873,012					
Payment to suppliers	(475,055,408)	(514,345,116)					
Payment to employees	(96,897,487)	(103,051,638)					
Payment for services received	(139,323,909)	(131,490,408)					
Cash payment of VAT	(86,100,285)	(85,272,658)					
Contribution to provident fund	(4,669,285)	(1,720,842)					
	(34,110,146)	70,992,350					
Cost recovery	4,590,520	6,164,603					
Collection from sale of scrap and others	166,550	210,229					
Interest paid	(26,993,024)	(23,959,599)					
Income tax paid	(19,323,315)	(21,600,724)					
	(75,669,415)	31,806,859					
B. Cash flows from investing activities							
Payment for acquisition of property, plant and equipment	(8,240,073)	(13,980,357)					
	(8,240,073)	(13,980,357)					
C. Cash flows from financing activities							
Dividend paid	(9,190,812)	(3,497,291)					
	(9,190,812)	(3,497,291)					
D. Effect of exchange rate changes in cash and cash equivalent							
	(2,109,050)	-					
E. Net cash inflows/(outflows) for the period (A+B+C+D)							
	(95,209,350)	14,329,211					
F. Opening cash and cash equivalents							
Cash and cash equivalents	(484,870,076)	(509,135,838)					
Short term finance	(599,998,886)	(612,612,270)					
G. Closing cash and cash equivalents (E+F)							
Cash and cash equivalents	(118,811,836)	(135,358,935)					
Short term finance	(698,891,262)	(601,165,562)					
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2019							
	Share Capital	Capital Reserve	General Reserve	Fair value Reserve	Earnings	Retained	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 1 July 2019	93,706,080	2,305,167	243,262,429	496,740,698	29,279,912	865,288,297	(38,741,216)
Dividend	-	-	-	-	(18,741,216)	(18,741,216)	-
Transferred to general reserve	-	-	10,532,716	-	(10,532,716)	-	-
Net profit/(loss) for the period							