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**AHM Mustafa Kamal** 

## Five state banks to get listed by Oct

Announces Finance Minister AHM Mustafa Kamal

STAR BUSINESS REPORT

Five state-run banks are set to get listed on the stock market by September as part of the government's move to prop up the ailing bourse that has arguably dragged investor confidence down to rock bottom.

A quarter of the shares of Sonali, Agrani, Janata, Rupali and Bangladesh Development Bank (BDBL) would be offloaded on the stock market, said Finance Minister AHM Mustafa Kamal.

Former finance ministers had time and again promised to bring public banks to the stock market and even tried a number of times. But they failed to advance the agenda.

This time seems to be different as Finance Minister AHM Mustafa Kamal has announced a timeline to bring them to the bourse.

The shares will be offload in with Bangladesh Bank Governor

be listed within October.

Asked about the later timeframe for Sonali and Janata, Kamal said Sonali, which the country's largest lender, is performing treasury functions, so it may take some more time.

"But the shares will be offloaded -that has been decided.

A committee has already been formed to work on the listing of the banks, which will be coordinated by the state-owned merchant bank Investment Corporation of Bangladesh.

Stock market experts though are sceptical about the boost in morale the They fear the stocks might turn junk and add to the pile of problems the bourse is battling.

But Kamal begs to differ.

"All five banks are profitable now and we are not refinancing them. phases based on demand, Kamal told So, when the banks are listed on the reporters yesterday after a meeting market they will impact the market

"25 per cent [shares that would be offloaded] is a huge amount, so we have to analyse the demand," the finance minister said, adding that the timeline to offload the shares will not shift beyond October 31.

Fazle Kabir, Bangladesh Securities and Exchange Commission Chairman Khairul Hossain and managing directors and chairmen of the five banks at his office.

"25 per cent is a huge amount, so we have to analyse the demand," he said, adding that the timeline to offload the shares will not shift beyond October 31.

Rupali Bank is already listed with the stock exchanges: about 10 per cent of its shares are available in the market now.

offloaded within the next 2-3 months. BDBL's timeline is August and Agrani's September. Janata and Sonali would

Regardless, the government will facilitate what the market needs to get hale and hearty, he said, adding that it must not do anything to influence the market index.

The finance minister also touched upon the state of the economy.

"The overall economic situation is good though one sector is in a bad situation. Not all sectors in all countries run at the same pace."

However, the global economic outlook at present is far from rosy.

"We are worried all the time about The other 15 per cent would be the capital market, which tend to be reflections of an economy. But, our capital market has not been aligned with the movement and strength of

the economy for a long time."

The finance ministry found the reasons for the mismatch were: low institutional investor participation and retail investor-based market.

"If institutional investors are low then the market behaves in a volatile way sometime. And such volatility is not good for a stock market."

As remedy the government will work on the insurance sector, the capital market and the banking sector.

"To cure the sectors we are removing the impediments at first. We are reforming legal sides. We got banks' listing would bring given the two dedicated benches in the court to lenders' underwhelming performance. solve tax and banking issues so that cases can be solved within short time."

To lure in institutional investors, the government will bring in state-run companies to the market.

"We earlier promised to bring them and now we are working on this." Apart from banks, the finance minister recently announced offloading share of seven power companies.

### LISTED PUBLIC COMPANIES

Atlas Bangladesh **Bangladesh Services** Bangladesh Submarine Cable Company

Bangladesh Shipping Corporation Dhaka Electric Supply Company

**Eastern Cables** 

**Easter Lubricants** 

**Investment Corporation of Bangladesh** 

Jamuna Oil

Meghna Petroleum

**National Tubes** 

Padma Oil

Power Grid Company of Bangladesh

Renwick Jajneswar & Co (bd)

Rupali Bank

Shyampur Sugar Mills Titas Gas Trans. & Dist. Co.

**Usmania Glass Sheet Factory** 

Zeal Bangla Sugar Mill







1	SONALI BANK	I RUPALI BANK	I AGRANI BANK	I JANATA BANK
PAID-UP CAPITAL	Tk <b>4,530</b> cr	Tk <b>376.52</b> cr	Tk <b>2,072.29</b> cr	Tk <b>2,314</b> cr
PROFIT	Tk <b>226</b> cr	Tk <b>40.93</b> cr	Tk <b>104</b> cr	Tk <b>24.90</b> cr
BRANCHES	1,215	568	953	909
DEPOSIT	Tk <b>109,386</b> cr	Tk <b>38,954.95</b> cr	Tk <b>62,193</b> cr	Tk <b>67,555</b> cr
LOANS	Tk <b>46,408</b> cr	Tk <b>24,749.06</b> cr	Tk <b>39,575</b> cr	Tk <b>53,370</b> cr
DEFAULT LOANS	Tk <b>12,188</b> cr	Tk <b>4,428.85</b> cr	Tk <b>6,993</b> cr	Tk <b>17,998</b> cr
				*As of 201

# Robi brings tech to enhance 4G services

Adopting VoLTE to improve voice quality, ensure faster internet

Call generation time will come down

by **1/3**rd

11% Robi customer have VoLTE

supportive handset

**5,000** sites ready for VoLTE service

3G will be obsolete within **3-4** years

Robi tested VoLTE for a year

access the service. Availing 4G

services already required changing

Robi users have the VoLTE supportive

smart devices, said a top executive of

the carrier, adding that there would

not be any discrimination on services,

Currently about 11 percent of

into a new SIM.

Only 4G-enabled handsets can

**Robi's VoLTE service** 

Muhammad Zahidul Islam

Fourth generation (4G) voice and data services are set to be enhanced through Robi's adoption of Voice over Long Term Evolution (VoLTE) this week, ushering the end of 3G networks within a couple of years.

The VoLTE is a standard for highspeed wireless communication for mobile phones and data terminals, including internet of things devices and wearables.

The second largest mobile carrier with about five crore active users says it would lower call drops and call establishment times, extend smartphone battery life, increase internet speed and reduce pressure on its network.

Experts said call quality would be far superior as there would be threefold the data transfer compared to that over 3G and six times to that over 2G, making it even more easier to make out the voice and tone.

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be it their mobile prefix 018 or 016. There will also be no additional data charges, said Robi officials. Robi ran a non-commercial of technology the first time in Bangladesh in

January last year

demonstrating

"high definition"

voice calls at a

pioneered the technology's commercial introduction in May

Neighbouring India adopted the technology a few years back and all of their operators have started shutting down their 3G networks. While only Reliance Jio operates a pure 4G-VoLTE network, Airtel has declared plans to boost 4G networks by March this year.

Robi executives said if all customers ride on VoLTE service, it will help to gradually shut down 3G networks within three to four years and reduce service costs and subsequently prices

Robi's adoption will be officially made through a ceremony at InterContinental Dhaka Wednesday where a couple of ministers are scheduled to be present.

Shahed Alam, chief corporate and regulatory officer, said they were very excited to be the country's first operator to adopt the VoLTE.

"Launching of this innovative voice calling service over our 4G network will certainly herald a new era in the country's journey towards the 'Digital Bangladesh' vision," he

"We are confident that our customers are going to enjoy a new experience in their lives with the faster setup time. touch of HD quality voice service," Singapore hesaid.

### Another lender enters the fray

Bengal Commercial intends to champion financial inclusion

STAR BUSINESS REPORT

A new lender will be populating the already-crowded banking landscape after the financial regulator yesterday gave the final go-ahead to Bengal Commercial Bank to set up shop.

This will take the total number of banks in Bangladesh to 60. The decision came at the board

meeting of the central bank, where the preliminary agreement was given to People's Bank, said Bangladesh Bank spokesperson and executive director Md Serajul Islam.

"We will not go for aggressive banking," said Jashim Uddin, chairman of the incoming bank.

Bengal Commercial Bank, which is originally called Bengal Bank, will concentrate on lending to smalland medium-sized enterprises and consumer financing.

the financial inclusion agenda, Uddin said, adding that its branches will mostly be based in rural areas. The central bank was originally

opposed to the idea of letting in more banks. Experts also opposed the move, saying the sector is already saturated and its overall health, especially of the newer banks, was on the wane. But its resistance was futile as in

2018 after pressure from government higher ups, particularly then finance minister AMA Muhith, it decided to start the process of providing licences to four proposed banks. The proposed financial institutions

are: Community Bank Bangladesh, Bengal Commercial Bank, Peoples Bank and Citizen Bank.

Bengal Commercial Bank was initiated by the Bengal Group of Industries, which is a local

The bank has set out on advancing manufacturer of plastic products. AL lawmaker Morshed Alam is chairman of the group and his younger brother, Jashim Uddin, is the bank's chairman.

MA Kashem, an AL leader residing in the US, is chairman of the proposed Peoples Bank.

The central bank had stalled the process of providing licence to the proposed People's Bank following allegations of money laundering against Kashem.

However, Kashem had vowed to bounce back, saying that he will manage the licence within the shortest possible time.

"We recently received a money laundering allegation against the chairman of the proposed People's Bank. We will take a decision on the bank after settling the complaint," said a BB senior official at the time.

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### Standard, NRB Global become Shariah lenders

Two banks pivot from the rat race of traditional lending

STAR BUSINESS REPORT

Two private banks -- Standard and NRB Global -- is set to become full-fledged Shariah-based lenders as they step back from the crowded landscape of traditional banking.

This will take the total number of Islamic banks operating in the country to 10. The decision came in yesterday's meeting of the

Bangladesh Bank board, said its spokesperson and executive director Md Serajul Islam. "We are shifting towards Shariah-based lending from

a place of ethics and deep belief," said Khondoker NRB Global Bank Rashed Maqsood, managing director and chief executive

officer of Standard Bank, which has been attempting to pivot to Islamic banking from 2009.

Standard Bank Limited

Transforming into a full-fledged Shariah bank would be "Doing banking stocking to Islamic principles will be

difficult, but we want to do it," Maqsood added. Shariah-based banking is progressively seeming attractive to regular banks given their lower statutory liquidity ratio and higher loan-deposit ceiling of 90 per cent. SLR is the reserve requirement that banks are required to maintain in the form of cash, gold reserves, central bank-approved securities before providing credit to the

Islamic banks have to keep SLR of 5.5 per cent of their deposits, whereas for regular banks it is at least 13 per cent, as per regulations. To get in on the action, many regular banks opened Shariah-based services, such as Saadiq by Standard Chartered.

The other eight Islamic banks are: ICB Islamic, Islami,

Shahjalal Islami, Sonali, First Security Islami, Exim, Al-Arafah Islami and Social Islami.

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### ANONTEX LOAN SCANDAL

BB seeks explanation from Janata MD

STAR BUSINESS REPORT

Bangladesh Bank has sought explanation from Janata Bank Managing Director Md Abdus Salam Azad for extending loan rescheduling facilities to two companies, including the notorious AnonTex Group, by breaching rules.

He has been asked to give explanation within seven working days, according to a letter sent to Azad on February 4. Janata has given Tk 1,743.84 crore loan rescheduling facilities against seven companies of AnonTex Group, according to the letter of the banking regulator.

Besides, the bank also gave rescheduling facilities to

Dragon Sweater for 10 years without collateral Earlier, the central bank probe body had recommended its higher-ups take punitive measure against Azad for his alleged involvement in the AnonTex Group loan scandal.

Between 2007 and 2014, the state-run bank disbursed a large amount of loans to 22 companies of AnonTex Group by breaching the banking rules and regulators -- and the probe body found direct involvement of Azad in the transgression. The companies opened 20 accounts with the corporate branch and the rest with local office of the lender, according to an investigation carried out by the central bank inspection team.

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