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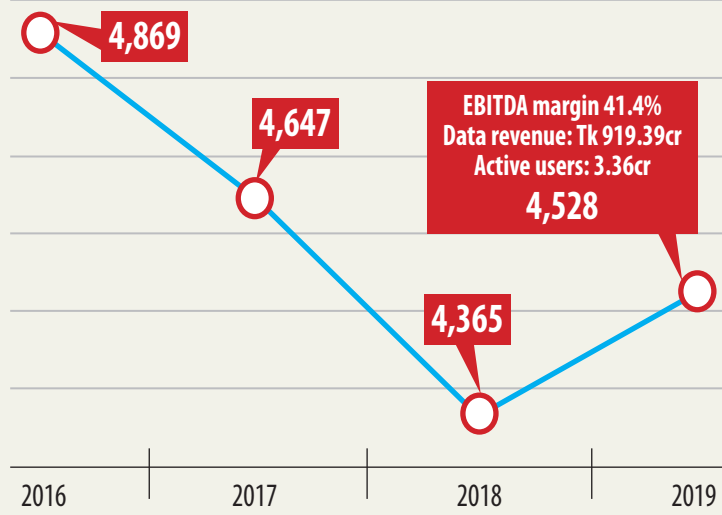
Fund transfer, Utility bill payment,
Top up mobile balance,
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& many more




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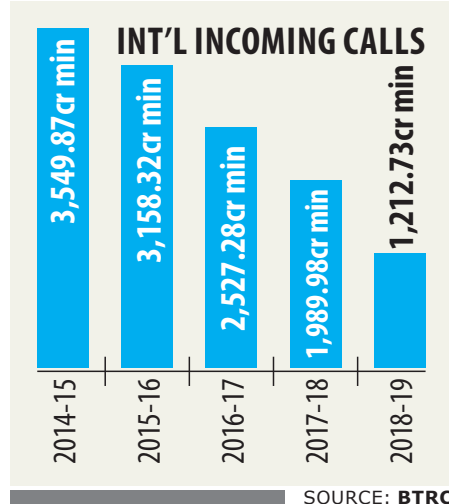


Compared with the preceding



Some 12 per cent of Banglalink's customers are using 4G-supported

The SIM tax was also increased to Tk 200 from Tk 100 and the minimum tax rate on revenue was increased from 0.75 per cent to 2 per cent. The custom duties on smartphones increased from 10 per cent to 25 per cent, which also massively impacted the overall industry.



Mobile network operators run promotional campaigns for these applications while the relatives of people working abroad have gradually grown accustomed to using internet-based



"This is also affecting government revenue. Considering the situation, we made this decision," Jabbar told The Daily Star yesterday evening.

READ MORE ON B3



IMF chief hopes for global policy response to mitigate coronavirus impact

REUTERS, Munich

The International Monetary Fund hopes governments and central banks will work on a response to the coronavirus outbreak once the economic impact becomes clear, IMF Managing Director Kristalina Georgieva said on Friday.

Speaking at the Munich Security Conference, Georgieva said the next few weeks would be crucial to build up a "bottom-up" picture of the impact of the virus in China and worldwide.

"So then we can agree on synchronised, or even better, coordinated measures to protect the world economy from a more serious shock," Georgieva told delegates. "Can we do it? Yes. Are we going to do it? I actually think that we will."

The coronavirus outbreak has killed more than 1,100 people and infected more than 44,000 in China after it first emerged in Wuhan, Hubei province, late last year.

China's economy is struggling to get going after the annual Lunar New Year holiday, which was extended for 10 days to help contain the outbreak of the new and highly contagious respiratory virus, officially called 2019-nCov.

Georgieva warned against trying to make accurate predictions now because of a lack of information and said experts forecasting the economic impact were taking a risk.

Her main concern was a containment of the epidemic that led to an economic recovery but then was followed by another outbreak of the virus.

"We are looking at data very carefully ... we have to do what people in rapid response do: pray for the best and prepare for the worst," Georgieva said.



International Monetary Fund (IMF) Managing Director Kristalina Georgieva talks to Chinese Premier Li Keqiang before a news conference following the "1+6" Roundtable meeting at the Diaoyutai state guesthouse in Beijing, China.

Renault reports net losses of 141m euros in 2019

AFP, Paris

French carmaker Renault went into the red last year, the first time in a decade, with net losses of 141 million euros (\$152 million) due to lower sales and a falling contribution from its Japanese partner Nissan.

Renault said its outlook for 2020 was bleak with a fresh fall in operational profitability, a statement said Friday.

Last year saw group operating margin drop from 6.3 percent to 4.8 percent, though Renault stated that it "achieved its targets, revised in October," despite "a troubled context."

The auto giant in 2019 marked its first full year without former emblematic CEO Carlos Ghosn, arrested in Japan in November 2018 over allegations of financial misconduct, including under reporting salary and misuse of company assets at Renault partner Nissan.

Brazilian-born Ghosn, who also has French and Lebanese nationality, is now in Lebanon, where he fled in December after jumping bail in Japan.

In a struggling global auto market Renault saw group revenues slide 3.3 percent to 55.5 billion euros while confirming sales dropped 3.4 percent at 3.75 million vehicles.

Unveiling operating income down almost a third to 2.11 billion euros, the group said it expected 2020 to bring a further profitability hit, with revenues of a similar order to 2019.

"Visibility for 2020 remains limited

by expected market volatility ... and the possible impacts of the coronavirus," said acting CEO Clotilde Delbos.

Renault also took a hit from a decline in the financial contribution of a likewise struggling Nissan, in which it has a 43-percent stake, coming in at 242 million euros, down from 1.51 billion in 2018.

Thursday, Nissan said its net profit plunged more than 87 percent for the nine months to December as it struggles with weak demand and fallout from the Ghosn case.

Nissan also revised downwards its full-year sales and profit forecasts, but warned that the impact from the spreading coronavirus crisis was not yet included in their figures.

Friday's results marked the first time Renault -- which said it would slash its dividend by more than two thirds to 1.10 euros a share -- had plunged into the red since 2009 in the throes of the financial crisis when it made a 3.1 billion euro loss.

Last year saw further upheaval, post-Ghosn, in the Renault hierarchy as director general Thierry Bollore was forced out.

Delbos took the position on an interim basis but will give way to Italian Luca de Meo, most recently boss at Seat, Volkswagen's Spanish subsidiary.

One of his first tasks will be to restore flagging investor confidence in the marque with Renault's share price having slumped by around half over the past year to a 10-year low.

US raises tariffs on European aircraft in ongoing dispute over subsidies

REUTERS, Washington

The US government on Friday said it would increase tariffs on aircraft imported from the European Union to 15 per cent from 10 per cent, ratcheting up pressure on Brussels in a nearly 16-year transatlantic dispute over aircraft subsidies.

The US Trade Representative's Office said it remained open to reaching a negotiated settlement with the EU on the issue, but could revise its actions if the EU imposed tariffs of its own in connection with a pair of disputes over the subsidies.

In a statement released late on Friday, USTR said it would make minor modifications to 25 per cent tariffs imposed on cheese, wine and other non-aircraft products from the EU, including dropping prune juice from the list. It did not raise the tariff rates on those product, as it had suggested it might do in October. The higher aircraft tariff will take effect March 18.

The US action comes as US President Donald Trump, emboldened by agreement on a Phase 1 trade deal with China, has trained his sights on restructuring the more than \$1 trillion US-EU trade relationship, raising the spectre of another major trade war as the global economy slows.

EU officials have said they want to negotiate with Washington but will not be bullied into submission.

European planemaker Airbus said the US move would hit US airlines already facing a shortage of aircraft and complicate efforts to reach a negotiated settlement with the European Union in the longstanding dispute.

Airbus said it would continue discussions with US customers to "mitigate effects of tariffs insofar as possible" and hoped USTR would change its position, particularly given

the threat of EU tariffs on US products in its own case before the World Trade Organization.

"USTR's decision ignores the many submissions made by US airlines, highlighting the fact that they -- and the US flying public -- ultimately have to pay these tariffs," the company said in a statement. EU officials had no immediate comment on Friday's news.

The USTR had announced in December that it could increase tariff rates up to 100 per cent and subject additional EU products to tariffs, following a decision by the WTO that EU launch aid to Airbus continued to harm the US aerospace industry.

The WTO in October had awarded Washington the right to impose tariffs on \$7.5 billion of annual EU imports in its case against Airbus. Washington then slapped 10 per cent tariffs on

most European-made Airbus jets and 25 per cent duties on products ranging from cheese to olives and single-malt whisky, from Oct. 18.

Boeing, in a statement, said it was working with US federal and state officials to "promptly bring the United States into full compliance" with WTO rulings.

"The EU and Airbus could end these tariffs by finally complying with their legal obligations, ending these illegal subsidies, and addressing their ongoing harm. We hope they will," the company said in a statement.

The Wine & Spirits Wholesalers of America (WSWA) said it remains strongly opposed to tariffs on European-origin wine and spirits, and urged US and EU trade officials to negotiate an end to a trade dispute that was lowering revenues.



European planemaker Airbus believes the move to raise tariff would hit US airlines hard, as they are already facing a shortage of aircraft.

New budget plan sets stage for EU summit battle

AFP, Brussels

Brussels set the stage Friday for a fierce budget battle at next week's extraordinary EU summit, with a trillion-euro plan that meets no-one's demands.

The summit's host, European Council president Charles Michel, is seeking a compromise to clear a path to agreement on a seven-year budget framework for the bloc.

But the already fraught process has become more difficult as Brussels tries to plug the multi-billion-euro hole left in its finances by Britain's Brexit divorce. Initial reactions to the document in Brussels diplomatic circles suggested that next Thursday's summit will devolve into a fierce argument between member states that will likely end without agreement.

The richer mainly northern countries that are net contributors to EU programmes want to cap spending at around one percent of the union's total GDP. But the main parties in the European Parliament have demanded 1.3 percent and have threatened to block any proposal they feel won't cover their ambitions.

Late Friday European parliament head David Sassoli called Michel's proposal "unsatisfactory".

"It is a proposal that risks leaving Europe lagging not only behind its own objectives, but also other actors on the international scene, such as China and the US," Sassoli added.

For its part, the European Commission has proposed a budget of 1.11 percent of economic output to fund EU president Ursula von der Leyen's ambitious "Green Deal" agenda.

Von der Leyen has warned Britain's departure will leave the union short



European Council President Charles Michel prepares to welcome guests for a meeting at the European Council headquarters in Brussels, Belgium.

of 75 billion euros (\$82 billion) over the seven-year budget period, and she wants a quarter of that ring-fenced for the fight against climate change.

Michel's compromise plan proposes a budget capped at 1.074 percent of the bloc's GDP, estimated at 1.1 trillion euros over seven years.

This number is close to the figure arrived at last year during the six-month Finnish presidency of the union -- a figure that member states have already rejected.

There will be cuts in agricultural spending, which France will not like; and in regional aid, riling newer members. Net contributors Germany, Denmark, the Netherlands, Austria and Sweden would not see their rebates abolished at a stroke as they had feared, but they will be reduced over the seven-year-period.

Union spending is small compared

to the members' national budget, but tight-pursed members like Denmark and the Netherlands are resisting spending more to make up for the end of British contributions.

In order to free up more money from outside the disputed budget, Michel's plan proposes increasing the capital held by the European Investment Bank by 100 billion euros.

This could mobilise 500 billion euros in loans to invest in climate change mitigation and the digital economy. But the battle lines are drawn.

"As one of the biggest net contributors, the Netherlands believes the EU should keep a tight rein on spending; clear choices must be made," Dutch premier Mark Rutte tweeted.

"Member states' positions are still far apart so there's lots of work to be done," he said, arriving in Paris to talk with French President Emmanuel Macron.

Zuckerberg wants 'new framework' for digital tax

AFP, Paris

Facebook founder and CEO Mark Zuckerberg on Friday backed moves by the OECD group of free-market economies to reform the way online giants are taxed worldwide, even if that means companies like his own paying more to national governments.

"We also want tax reform and I'm glad the OECD is looking at this," Zuckerberg says in published extracts of a speech he will make in Germany on Saturday.

"We want the OECD process to succeed so that we have a stable and reliable system going forward," he added.

The digital tax has emerged as a key bone of contention between the US and France in particular, after Paris imposed its own tax on US digital giants such as Facebook, Google, Amazon and Apple last year.

Washington has slammed the move as discriminatory, but both sides agreed last month to pursue a global framework under the aegis of the Organisation for Economic Co-operation and Development (OECD), with Paris suspending its collection of the tax until December 2020.

Britain has, however, vowed to press ahead with its own digital tax despite the potential impact on its hopes of forging a trade deal with the United States as it exits the EU.

Things have got more complicated thanks to an alternative proposal by

Washington for a so-called "safe harbour" option which analysts say would essentially render compliance optional and jeopardise the chances of reaching a comprehensive deal by the end of this year.

The next deadline facing the OECD negotiators is early July, when the 137 participating nations are to meet to agree on the main policy elements of the digital tax.

Zuckerberg will tell a security conference in Munich on Saturday that Facebook accepts that any new OECD system for online tax "may mean we have to pay more tax and pay it in different places under a new framework".

The OECD said in a statement on Thursday that the tax changes under discussion would bring in four percent more global corporate income tax worth \$100 billion (92 billion euros) annually.

The revenue gains would be "broadly similar across high, middle and low-income economies, the OECD added in a statement.

"The aim is to ensure that multinational enterprises conducting sustained and significant business in places where they may not have a physical presence can be taxed in such jurisdictions," it explained.

This would put an end to the practice seen in Europe currently where multinational online companies operating in several countries base their headquarters in a low-taxing regime such as Luxembourg or Ireland to minimise their fiscal outlay.

Hong Kong unveils cash handouts as virus deepens economic woes

AFP, Hong Kong

Hong Kong announced a slew of cash subsidies on Friday to help businesses that have been battered by the coronavirus outbreak in a city already reeling from a recession.

The US-China trade war and

months of seething pro-democracy protests last year had already pushed the business hub's economy into negative territory.

The virus has compounded those woes, leading to an even more stark drop in tourist arrivals and empty streets, pushing many

smaller businesses towards bankruptcy.

On Friday night the city's pro-Beijing leader Carrie Lam said the government would dip into its financial reserves -- some of the world's healthiest -- to give cash subsidies to sectors hit hardest by

the crisis.

"We hope to do our best to avoid large scale closures and lay-offs," she told reporters.

Lam, who has record low approval ratings, announced one-off subsidies for people such as construction workers, security guards and janitors to help them buy protective equipment.

The government will also issue HK\$80,000 (\$10,300) to licensed travel agencies, smaller restaurants and retailers as well as HK\$5,000 to street hawkers, HK\$200,000 to licensed restaurants and factory canteens and a further HK\$5,000 to around 200,000 low income families.

From Saturday Hong Kong began enforcing a mandatory two-week quarantine for anyone arriving from mainland China to stop the deadly coronavirus from spreading.

Multiple airlines and governments have also blocked flights to and from Hong Kong, causing the arrivals to crash.

Earlier this week, neighbouring Macau announced plans to give all its residents store cards charged with 3,000 patacas (\$374).



The Coronavirus, which originated in Wuhan city, has spread across 30 provinces in China.



Md Jasim Uddin Akond ICMAB elects top brass for 2020

STAR BUSINESS REPORT

The Institute of Cost and Management Accountants of Bangladesh (ICMAB) has elected its top management for 2020.

Md Jasim Uddin Akond, comptroller of the Bangladesh University of Engineering and Technology, was made president, says a press release. Md Munirul Islam, head of human resources of Aristopharma, was elected secretary while Md Ali Haider Chowdhury, managing director of Aloha Bangladesh and director & CEO of Unicom Group, treasurer.

Abu Bakar Siddique, executive vice president and chief financial officer of Kohinoor Chemical Co (BD) and Group Reedisha, and Md Mamunur Rashid, deputy managing director of X-Index Companies and an independent director of West Zone Power Distribution Company and Nitol Insurance, were elected vice-presidents.

Makers of Tang get new country distributor

STAR BUSINESS REPORT

International Distribution Company Bangladesh has been appointed as the distributor of Mondelez Bangladesh, the country unit of snack maker Mondelez International, whose brands include Tang, Cadbury, Bournvita, 5 Star, Perk and Oreo.

Kallappa Pattanashetti, country lead of Mondelez Bangladesh, handed over the rights from the former distributors through a programme at Le Méridien Dhaka yesterday, says a press release.

Bashir Ahmed and Ashraf Bin Taj, chairman and managing director respectively of the international distribution, were present.



G4S Bangladesh gets new MD

STAR BUSINESS REPORT

Security solutions provider G4S Bangladesh has appointed a new managing director with effect from last Wednesday.

KM Iqbal will be reporting directly to the regional CEO for Asia Pacific, says a press release, adding that he brings 11 years' experience in sales and marketing.

Amazon, Flipkart challenge new Indian tax on online sellers

REUTERS, New Delhi

Amazon and Walmart's Flipkart are among online retailers demanding that India scale back a proposed tax on third-party sellers on their platforms, saying the burden of compliance will hurt the fledgling industry, according to a document seen by Reuters.

The online retail industry is braced for a possible 1 per cent tax on each sale made by sellers on their platforms from April if the proposal is approved by parliament next month.

The move is part of a broader plan by Prime Minister Narendra Modi's government to increase tax revenues and counter a sharp economic slowdown due to weakening consumer demand.

But the tax will hurt the country's fledgling e-commerce sector, according to a presentation prepared by the Federation of Indian Chambers of Commerce and Industry (FICCI) for the government and reviewed by Reuters.

"(It) would cause irreparable loss to the entire industry with increased compliance burden," the lobby group said on behalf of e-commerce companies. "This will also lead to reduced trading activity."

Amazon declined to comment. A spokesman for Bengaluru-based Flipkart said it was working with industry chambers to voice sellers' concerns and highlight the increased cost of compliance. The Finance Ministry declined to comment.

Some third-party sellers are also pushing back against the tax, arguing it would negatively impact their working capital, adding that they already contribute to a nationwide sales tax.

This tax will be "extremely detrimental to the growth and sustenance" of small online sellers and make the model "unviable", Unexo Life Sciences, a seller of healthcare products on Amazon's India website, said in an email to the Central Board of Direct Taxes that was reviewed by Reuters.

Online vendors, or sellers with revenue of less than half a million rupees in the previous year, as well as brick-and-mortar retailers, will be exempted from the new tax, although they are subject to the nationwide sales tax.

India's e-commerce sector is expected to reach \$200 billion by 2026 as rising smartphone use and cheap data help hundreds of millions to shop online for everything from groceries to furniture. But companies such as Amazon and Flipkart have also had to face tighter regulations and an antitrust probe.

The tax would apply to the income of drivers on ride hailing firms such as Uber and Ola as well as sales on restaurant aggregators including Zomato and Swiggy.

Ola and Uber declined to comment, while Swiggy and Zomato did not respond to requests for comment.

Modi is pushing to expand India's tax base to hundreds of thousands of manufacturers, food sellers and cab drivers who currently do not pay income tax, a senior Finance Ministry official said. Modi has said just about 15 million of India's 1.3 billion Indians pay income tax.

New Delhi expects to collect about 30 billion Indian rupees (\$419.46 million) through the tax, the Finance Ministry said. It will also provide data on billions of dollars in sales.



REUTERS/FILE

People move past a hoarding of Amazon India outside a metro rail station in New Delhi.

Int'l incoming call rate slashed 66pc

FROM PAGE B1

The government considered this move for two other reasons as well: to help save the IGW industry and control the illegal termination rate.

International call termination was one of the government's main sources of revenue just five years ago. However, earnings from the sector has shrunk substantially in recent years.

In fiscal 2014-15, the government's earnings from international calls was Tk 2,075.62 crore, which declined to Tk 1,387.37 crore, Tk 967.63 crore, Tk

900.35 crore and just a few hundred crore in successive years, according to BTRC officials.

Voice calls made through free applications is a result of the rise of smartphones and mobile broadband coverage, Jabbar said.

"We need to embrace this development of smartphones for the sake of digitisation. There is no debate on that, but at the same time we also have a responsibility to save our operators as well," he added.

Although the number of active

internet connections reached ten crores, the true number of internet users' is about four crore. Almost all of them use communication applications even for local calls, industry insiders said.

Currently, Bangladesh has 24 IGW operators, of which, six lost their licenses for failing to pay unpaid dues.

The latest decision also means that IGW operators will share their revenues based on the declared floor price regardless of how much they actually charge for calls.

Economy revs up on rural strength

FROM PAGE B4

He spoke at the launch of a book titled "Institutionalising Microfinance in Bangladesh: Players, Games & Outcomes" written by Lila Rashid, general manager for the SME and special programmes department at Bangladesh Bank.

Prof Rehman Sobhan, chairman of the Centre for Policy Dialogue, formally launched the book at the event at the Bangladesh National Museum in Dhaka.

"Around 3.30 crore people have taken services from microfinance institutions and the number is growing," Rahman said, adding that

the sector is mostly free from graft and irregularities.

There are about seven crore recipients of mobile financial services, which also helped deepen financial inclusion and strengthen the base of the economy, he said.

"The government on several occasions let non-governmental organisations experiment with different economic systems and that has worked out. And that is how Bangladesh has turned into a big social laboratory," Rahman added.

The Microcredit Regulatory Authority is the first of its kind in

the world, he said, adding that the regulator should be smarter as the sector is getting enormous.

The author said the book tried to portray how microfinance evolved in the country and gradually took a shape.

MA Baqui Khalily, a former professor at the department of finance at Dhaka University; Md Akhtaruzzaman, director general of the Bangladesh Institute of Bank Management; Zahida Fizza Kabir, CEO of SAJIDA Foundation; Mahrukh Mohiuddin, managing director of the University Press Ltd, the publisher of the book, also spoke.



INCEPTA PHARMACEUTICALS

The opening of a furniture showroom and design studio of BOHU Bangladesh at 204/B, Bir Uttam Shawkat Sharak in Dhaka on Friday. Hasnain Mukhtadir, vice-chairman of Incepta Pharmaceuticals, was present as chief guest.

EU launches anti-dumping investigation on China aluminium products

REUTERS, London

The European Commission has opened an investigation into whether China is dumping aluminium extrusions, products widely used in transport, construction and electronics, in the European Union, it said on Friday.

A notice in the EU's Official Journal said it was acting on a complaint filed last month by industry group European Aluminium representing seven producers.

"The evidence provided by the complainant shows that the volume and the prices of the imported product under investigation have had, among other consequences, a negative impact," the Commission said.

European Aluminium welcomed the move, calling for an urgent launch of anti-dumping duties.

"In the past year, production lines and entire plants closed, with significant job losses as a result. We ask the EU to be proactive rather than wait until it is too late," Gerd Götz, director general of European Aluminium, said in a statement.

Aluminium extrusions from China are already subject to anti-dumping duties in the United States, Canada, Australia and Vietnam, the statement added.

Aluminium extrusions are used for engine blocks and chassis in autos, to house coaxial cables for electronics and as building facades in construction.

Wen Xianjun, vice chairman of the China Nonferrous Metals Industry Association, who previously led aluminium anti-dumping negotiations with the United States, said his department opposed the EU investigation and was studying it.

"It will further increase global trade protectionism. We will organise related companies to actively respond to the complaint," said Wen, who is also an independent non-executive director at China's top aluminium extruder China Zhongwang Holdings Ltd. Members of European Aluminium include Norsk Hydro, Rio Tinto and Alcoa.

They are battling a weak market impacted by a lack of demand, including from the auto sector.



REUTERS/FILE

A European Union flag flies outside the European Commission headquarters in Brussels, Belgium.

Coronavirus fears rattle Asia traders

AFP, Hong Kong

Fears over the new coronavirus rattled investors in Asia Friday as they struggled to work out if the China epidemic was worse than being reported by authorities.

A dramatic rise in the number of deaths and new cases of the virus on Thursday fuelled global suspicions that Beijing was concealing the true scale of the illness.

Concern turned to confusion on Friday, however, as the death toll was lowered to 1,380 after authorities said they had double-counted some fatalities.

The uncertainty came as Vietnam quarantined more than 10,000 people in a cluster of villages after six virus cases were detected and Japan reported its first death.

"There are still some lingering concerns hanging like a cloud over the market that we could still get a surprise secondary transmission cluster," said Stephen Innes at AxiCorp. "But the intensity and market de-risking is nowhere near the feverish pitches of last Friday." Hong Kong fell 0.11 percent at the open before recovering as investors weighed up the possibility that Thursday's sharp increase -- triggered by a change in the way Chinese officials count new infections -- was a one-off.

Mainland China's benchmark Shanghai Composite Index was 0.59 percent higher after dipping into the red at the open.

Tokyo was down 0.52 percent amid concerns over the economic impact from the virus. Elsewhere, Sydney put on 0.44 percent, Seoul added 0.78 percent and Taipei gained 0.35 percent.

The surge in virus numbers sent Wall Street into the red on Thursday -- a reversal from the previous day when the three main indexes closed at record highs.

In Britain, the resignation of finance minister Sajid Javid sent London's benchmark FTSE 100 index down as other major European markets posted narrower losses over fears about the epidemic's global economic impact.

China has been praised by the World Health Organization (WHO) for its transparent handling of the outbreak.

There is still scepticism among the global public, with suggestions that Beijing may be concealing the extent of the virus the way it did during the 2002-2003 SARS epidemic. Senior White House official Larry Kudlow said Thursday that the US was "a little disappointed in the lack of transparency" from China, which he said had refused American help.

Under criticism at home over the handling of the crisis, China's top leadership on Wednesday called for efforts to minimise the impact of the outbreak and pledged measures to help firms deal with the economic fallout.

Non-food inflation hits a 49-month peak

FROM PAGE B4

Food inflation dropped to 5.12 per cent in January from 5.88 per cent in December, according to BBS's Consumer Prices Index (CPI), which reflects the average change over time in the prices of a specified set of final commodities and services.

In case of food prices, people in rural areas saw less spiral than those living in towns and cities.

Food inflation in urban areas dropped to 5.03 per cent in January from 5.73 per cent a month earlier. Rural residents saw a decline in food inflation by 96 basis points to 5.16 per cent, according to BBS.

The statistical agency calculates CPI based on the prices of 318 goods and services in rural areas and 422 commodities in urban areas. It computes the CPI at the

national level by combining the urban and rural indices using weight factors.

With the inflation marking an upward trend in January, the overall growth of nominal wages was 6.56 per cent in January, which was higher than the rate of inflation of 5.57 per cent the same month.

This shows that the purchasing capacity of workers in general did not erode.

In January, wages in manufacturing and agriculture grew at a higher pace than inflation.

But the growth of nominal wages in fishing and construction sectors fell below the rate of inflation, meaning that real wages of workers in the two sectors fell as inflation rate exceeded the rise in their nominal wages, according to BBS's Wage Rate Index.



GREEN DELTA INSURANCE COMPANY

Abdul Hafiz Choudhury, newly elected chairman of Green Delta Insurance Company, delivered the inaugural speech at its 34th Annual Business Conference in the capital last Wednesday.

From going hungry to offering jobs

FROM PAGE B4

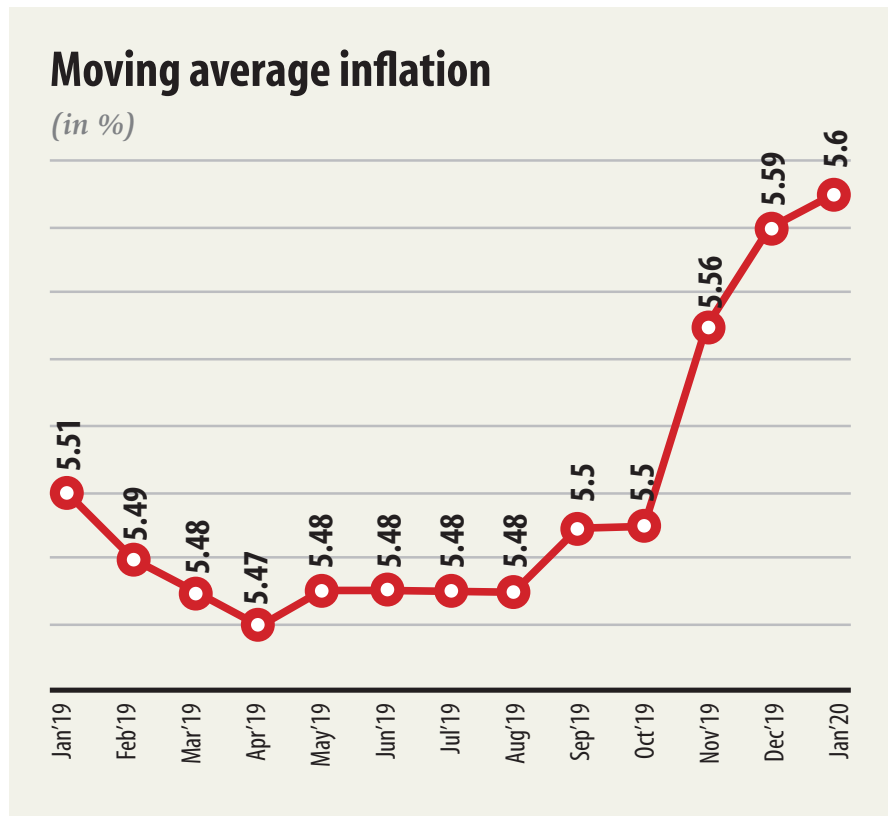
Meanwhile, she has been able to get her husband Humayun Kabir a job in Dubai and, coupled with the remittance he sends, has already repaid the Tk 80,000 she borrowed for the migration from her father and a local lender.

One of Taslima's employees, Tanzina Islam, works part time to bear her educational expenses.

Another, Ambia Aktar, terms Taslima a local icon. "We are earning and maintaining our educational expenses by working here. She is contributing a lot for the society," she said.

Authorities at the youth and women affairs training centres too were all praises about Taslima.

Non-food inflation hits a 49-month peak



STAR BUSINESS REPORT

Non-food inflation soared 6.30 per cent in January, the highest since December 2015, with people living in rural areas worst hit for the spiralling prices of goods and

services other than food.

In December, non-food inflation, which encompass average prices of clothing and footwear to transport and communication, was 5.55 per cent.

This was the third month in a

row non-food inflation has been creeping up, driven mainly by spike in healthcare expenses, transport, clothing and footwear and increased prices of various other goods and services.

The BBS data showed that average

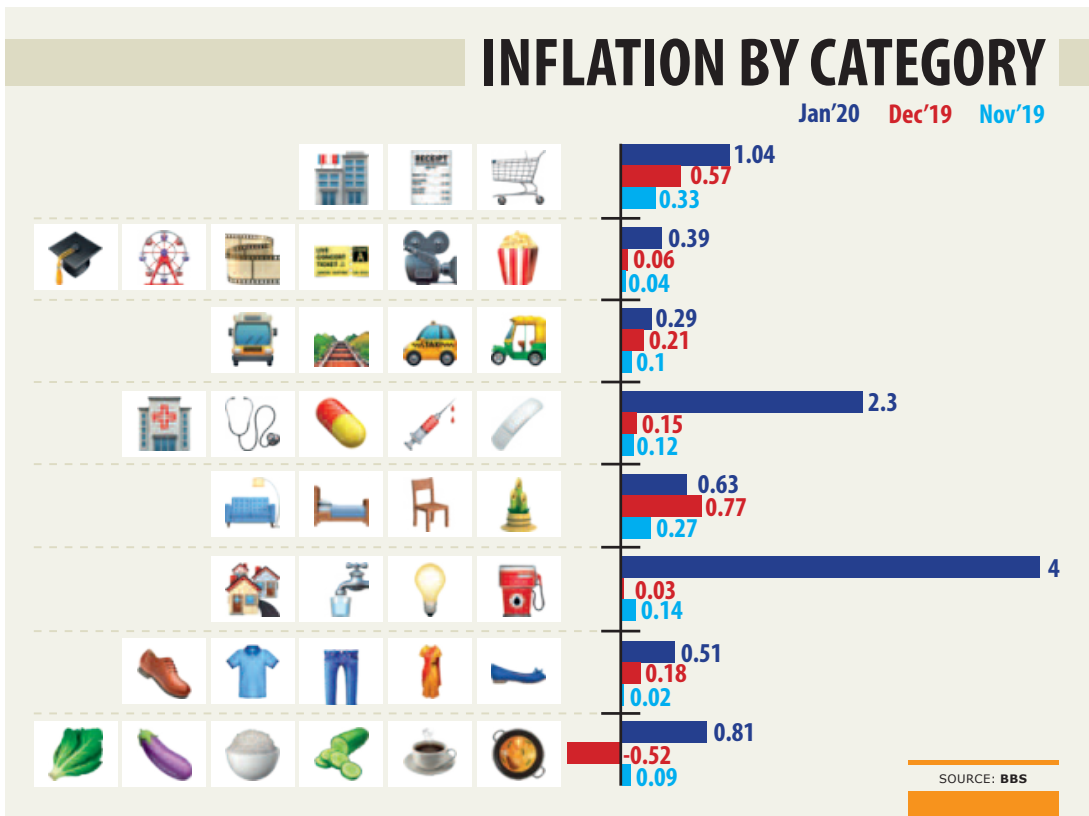
prices of rent, fuel and lighting rose 4 per cent in January from a month earlier, while healthcare costs edged up 2.30 per cent.

Overall inflation was however down: it was 5.57 per cent in January from 5.75 per cent in December, as

per the basket of goods and services tracked by the Bangladesh Bureau of Statistics (BBS).

The downturn in the prices of food helped inflation decline last month.

READ MORE ON BE



Raise power consumption to 1,000 kWh

Nasrul Hamid asks BREB officials

UNB, Dhaka

State Minister for Power, Energy and Mineral Resources Nasrul Hamid has urged officials of Bangladesh Rural Electrification Board (BREB) to pursue rural people to raise their electricity consumption to 1,000 kilowatt-hour from existing 98 kWh.

"You have to take prompt initiative so that rural consumers can increase their consumption to 1000 kWh."

He spoke while addressing the annual conference of BREB general managers at its headquarters in the city yesterday.

The overall development will accelerate by keeping pace with the electricity consumption, he said.

His call came against the backdrop of surplus electricity as the country's power production capacity is now 22,000 MW against the average demand of 12,000 MW.

The demand further drops to 6,000 MW in winter and a huge amount of electricity remains idle for lack of demand.

For this, the government has to incur huge financial losses in paying private power producers from which it purchases electricity at higher tariff than its selling rate.

Hamid said the Power Division has declared the 'Mujib Borsho' as the 'Service Year' to improve service quality in the sector.

He said as part of the 'Mujib Borsho' programmes, the government has set a target to ensure cent percent electrification in the grid area by June this year and in off-grid area by December next.

People now want quality electricity with improved services, he said.

Economy revs up on rural strength

Says former BB governor Atiur Rahman

STAR BUSINESS REPORT

Bangladesh's economy has been revving up for the last one decade because of the strong rural economy buoyed by microfinance, experts said yesterday.

"In the last ten years, the world faced an economic meltdown and many countries are now going through financial turbulence. But the economy

of Bangladesh has remained unscathed," said Atiur Rahman, a former governor of the central bank.

Bangladesh was able to steer clear of all financial jitters riding on the positive developments on several fronts like micro-finance, financial inclusion and mobile financial services that brought the rural economy to the mainstream, he said.

READ MORE ON B3



Prof Rehman Sobhan, chairman of the Centre for Policy Dialogue, poses at the launch of a book titled "Institutionalising Microfinance in Bangladesh: Players, Games & Outcomes" at an event at the Bangladesh National Museum in Dhaka yesterday. The book is written by Lila Rashid, a general manager at Bangladesh Bank.

ADB lends another \$170m to strengthen capital market

STAR BUSINESS REPORT

The Asian Development Bank has lent \$170 million more to Bangladesh to assist the country's ongoing capital market reforms.

The lending will conclude the third capital market development programme in Bangladesh which was introduced in 2015 to build on the foundation established under the ADB's second programme to broaden and deepen the reach of the reforms.

The third programme's focus was on the actual implementation of regulatory and institutional reforms, such as for strengthening regulatory and supervisory capacity of the stock market regulator, establishing a risk-based capital framework for market intermediaries, enhancing the clearing and settlement system.

The loan will aim to introduce new financial instruments by the two demutualised stock exchanges, establish higher quality of financial reporting and strengthen governance of the insurance sector.

ADB approved the programme totalling \$250 million in November 2015 with a first tranche \$80 million loan to support vital capital market reforms.

It accompanied by a technical assistance grant of \$700,000, out of which \$300,000 was financed by the



south Korean government's e-Asia and Knowledge Partnership Fund, to assist in the implementation of the reform actions.

Significant progress has been made to strengthen an enabling environment for sustainable capital market development under ADB's programme, said ADB Financial Sector Specialist Takuya Hoshino.

The government is encouraged to continue to resolve pending

items under its long-term capital market development master plan, he added.

ADB has been supporting the government's current capital market reform agenda since 2012 when the Second Capital Market Development Programme was approved.

This aimed to rebuild market confidence after stock market turbulence in December 2010 and

put the capital market back onto a sustainable development path.

The programme resulted in the 10-year national capital market development master plan and critical legislations for ensuring the independence of the BSEC as a regulator, better corporate governance, more reliable financial reporting and auditing, and insurance sector development.

From going hungry to offering jobs

Taslima gains footing with grit

AZIBOR RAHMAN, back from Magura

It is a perfect example of how perseverance pays off.

Married off in the late 90s while still a schoolgoer, Taslima Khatun and her unemployed husband were barely making ends meet, having no place of their own and often going hungry.

Now not only does she earn around Tk 25,000 a month but also employs around 50 students and homemakers and imparts training on her skills.

This did not come about overnight. Necessity prompted her to get enrolled for whatever free training was available at government institutions in her hometown of Magura sadar upazila since 2004.

It ranged from poultry and cattle rearing to mobile servicing. She stuck to packaging and tailoring while picking up from a neighbour the know-hows of making household items by processing discarded paper.

The most prominent of her products

is the Nakshi Kantha, the embroidered quilts traditionally made by layering discarded "dhotis" and saris.

The household and decorative items, such as flower vases, mats, small stools, replicas of fruits, toys, penholders, trays, dishes, baskets and cups, are all made from the processed paper and plastic beads.

She sources discarded paper, books and newspapers from her Kadirabad village. Mixing it with water and arrowroot makes it lumpy, which is then given shape by hand to create the different items.

Once sun-dried, the finishing touches are added, such as polishing using a whetstone and adding colours with a paintbrush. The beads are bought from the market and strung up to form objects.

Talking to The Daily Star recently, she said her stocks go out solely from demand of her neighbours and from local fairs.

Each Nakshi Kantha brings a profit of around Tk 2,000 on selling for around Tk 5,000 while the margin varies for the other products. For instance the prices of the vases range from Tk 300 to Tk 2,000, over two-thirds of which is profits.

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ANISUR RAHMAN

Md Azad sells tea and cigarettes from his mobile shop in Dhaka's Mouchak area yesterday. Unlike others, the 26-year-old had decided to be self-employed. The educated young man bought the improvised school van at Tk 8,000 three months ago and has been earning his living with the help of the roadside shop since then.