

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
Week on week		As of Friday		Friday Closings				As on Thursday			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 3.69%	▲ 4.50%	\$1,642.40 (per ounce)	\$58.50 (per barrel)	Closed	▼ 0.39%	▼ 0.55%	▲ 0.31%	BUY TK 83.95	89.78	107.71	11.80
4,733.14	8,812.23				23,386.74	3,181.03	3,039.67	SELL TK 84.95	93.58	111.51	12.40

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'Robi's listing will be a gift for investors'

Says its CEO; will apply for listing in March

MUHAMMAD ZAHIDUL ISLAM and AHSAN HABIB

Robi plans to submit its application for listing in the country's twin bourses to the Bangladesh Securities and Exchange Commission in the middle of next month, as the long-awaited debut of the second largest mobile phone operator is finally taking shape.

The operator, which got the approval from the Bangladesh Telecommunication Regulatory Commission last week for the initial public offering, though will make its debut on both the Dhaka and Chattogram stock exchanges in the second half of the year.

The reason being, its parent

Bangladesh's twin bourses to become stronger -- this will be a gift for the country's stock market investors," Ahmed said.

The operator intends to offload 10 per cent, or about 52.38 crore, shares to raise Tk 523.79 crore for network expansion in preparation for 5G.

Of the shares, 38.78 crore will be offered to the public and institutional investors in Bangladesh, while the remaining 13.61 crore will be set aside for employees and directors of Robi under the employee share purchase plan.

The face value of the shares would be Tk 10 and there will be no premium.

Talks of Robi's listing have been going on since 2013. The government

they have taken it very positively. Our policymakers now need to make it happen."

Robi will become the second mobile operator to get listed after Grameenphone, which started trading from November 16, 2009.

The operator, which is 25 per cent-owned by Indian Bharti Airtel and 6.31 per cent by Japanese NTT Docomo, has planned to invest \$500 million in Bangladesh. But the three stakeholders have put off the investment plan for regulatory restrictions.

"Our shareholders still have concerns about the regulatory issues and if policymakers can remove the unexpected elements from the market, it will be more mature," Ahmed said.

Meanwhile, at yesterday's event Robi

FBCCI demands support to bridge over coronavirus

BB might consider the requests

STAR BUSINESS REPORT

The country's apex trade body yesterday called for policy support from the government to help businesses tide over the massive supply disruptions brought about by the coronavirus pandemic in China.

Banks should offer special credit facility to the businesses that have opened letters of credit to import products from China but have been unable to because of the lockdown in large parts of China to help avoid defaulting on their instalment payments.

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) came up with the proposals at a press conference at its office in Dhaka.

Banks should not impose additional charges on LCs and penal interest on loans that were earlier disbursed to businesses, said FBCCI President Sheikh Fazle Fahim, while calling for a national strategy to tackle the crisis.

"The government should resolve the problem soon," he said.

Since the deadly virus was first reported in China in December last year, the outbreak has rattled the global economy and disrupted supply chains.

Bangladesh's trade with China is facing the doldrums as complexities have arisen for the shipment of the products against which LCs were opened before the outbreak of coronavirus.

"The supply chain has been facing disruption for a month. And we fear that the credit instalments of the



Sheikh Fazle Fahim

businesses may face an overdue because of the outbreak."

Normalcy, however, will return within next three quarters if businesses get the required support from the government, Fahim said.

China is the main source of fabrics and synthetic yarns, the two major raw materials for the export-oriented garment sector.

The world's second biggest economy is also the major supplier of industrial raw materials for other sectors, such as leather, plastic, electronics and electrical, footwear, cosmetics and toiletries, computer, water pump and medical instruments.

In January, the country imported 6.72 lakh tonnes of products from China, down 21 per cent from a year earlier, according to the FBCCI.

Last fiscal year, about 26 per cent of Bangladesh's imports worth \$52.19 billion came from China, according to data from the central bank. A year earlier, the share of imports from the country was 23.8 per cent.

"The problems pinpointed by the FBCCI are completely logical and banks are worried about the situation as well," said MA Halim Chowdhury, managing director of Pubali Bank.

The Association of Bankers, Bangladesh, a forum of managing directors of banks, has already discussed the issue in order to explore ways to manage the situation.

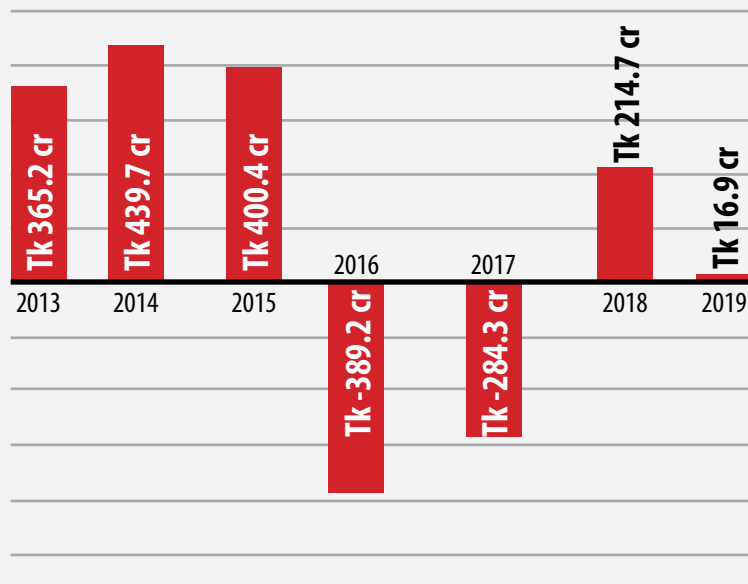
The central bank has collected trade-related data of China from each bank, he said.

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ROBI AT A GLANCE		
Active Customers	Internet subscribers	Revenue
4.90 cr	3.13 cr	Tk 7,481 cr
Market share	Internet market share	EBITDA
29.6%	31.40%	38.5%

ROBI'S PROFITS OVER THE YEARS



company Axiata, which has 68.69 per cent stakes, has put up two conditions for the listing and the operator is lobbying with the government for them.

"On February 20, our shareholders gave the green light to be listed in the market but at the same time they also asked us to ensure some policy support that will help to flourish business," said Mahtab Uddin Ahmed, chief executive officer of Robi, at a press conference yesterday at their headquarters in the capital.

The first condition is Robi's corporate tax must be brought down by at least 10 percentage points. At present, the operator pays 45 per cent corporate tax.

Grameenphone got the corporate tax benefit when it got listed. But the government withdrew the facility a few years ago.

The second condition is withdrawal of the 2 per cent minimum income tax on overall revenue that the government imposed from this fiscal year. The operator wants the rate to be 0.75 per cent.

Whether the government agrees to the conditions or not would be reflected in the national budget for fiscal 2020-21.

"Robi's listing will help

has requested the operator on several occasions to make its debut on the stock exchange.

The operator actually ceded to the government's requests in 2014 and was taking plans for the IPO. But, it led to nowhere as the government did not provide favourable policies then, Ahmed said.

Ahmed hopes the pattern does not repeat again as the move to get listed comes this time following requests from the government.

"Considering the country's benefit, we have placed the issue to our shareholders and

disclosed its financial results for 2019.

In 2019, Robi logged in profits of Tk 16.9 crore, down 92.12 per cent from the previous year, despite seeing double-digit revenue growth to Tk 7,481 crore.

At the end of last year, Robi's active customer number stood at 4.90 crore, which is 29.60 per cent of the market.

"We are in a very good momentum and if we get some support from the policymakers it will help us get optimum benefit from the market," Ahmed added.

Stock market stakeholders though are looking forward to welcoming Robi.

"These are the type of companies stock investors have been demanding in the last few years," said Md Sayedur Rahman, president of the Bangladesh Merchant Bankers Association.

READ MORE ON B3

Bashundhara builds Bangladesh's biggest bitumen plant

Factory cost \$143.7m; can meet local demand and export



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AHM Mustafa Kamal, finance minister; Nasrul Hamid, state minister for power; and Ahmed Akbar Sobhan, chairman of Bashundhara Group, attend the launch of Bashundhara Bitumen Plant in Keraniganj yesterday.

STAR BUSINESS REPORT

Bashundhara Group has set up the country's biggest bitumen plant in Keraniganj with an annual production capacity of a whopping 9 lakh tonnes for \$143.7 million, in a development that can be viewed as emblematic of the business giant's ambitions.

Bitumen is a hydrocarbon-based substance used to build roads and

highways. Currently, 90 per cent of Bangladesh's annual demand for 5 lakh tonne of bitumen is met by imports.

"Now, we don't need to import bitumen. Bashundhara can export the surplus after fulfilling domestic demand," said Finance Minister AHM Mustafa Kamal yesterday at the inauguration of the plant located on 65 acres in Pangaon area of Keraniganj.

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Total investment	\$143.7m
Production capacity	9 lakh tonne/year
Export target	4 lakh tonne
Total land	65 acres
Employment	1,000 directly
Production starts	Apr

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