



Md Salim Uddin, chairman of Bangladesh House Building Finance Corporation (BHBFC), opens a "One Stop Service Desk" at its 15 offices through an event at BHBFC Zonal Office in Chattogram recently. Managing Director Mohammad Shahjahan was present.



Faisal Ahsan Chowdhury, managing director (current charge) of Padma Bank, opens a branch at Pragati Sarani in Dhaka recently.

AnonTex seeks favour to reschedule loans

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Janata's management will set a repayment period of 10 years, including a one-year grace period if the proposal gets the nod.

"The management has accepted the rescheduling proposal positively given the feeble loan recovery trend because of the ongoing economic hardship caused by the coronavirus pandemic," said Md Abdus Salam Azad, managing director of Janata Bank.

The lender has given its all-out efforts to recover the defaulted loans from AnonTex Group in recent periods, he said.

The defaulter has already paid 1 per cent in down payment, or Tk 37 crore to reschedule the NPLs. The rest will be deposited when the central bank gives the final approval, Azad said.

This means the bank will recover a total of Tk 72 crore from AnonTex by granting the rescheduling facility.

The bank is going to reschedule the NPLs in exchange of the lower down payment as the loan recovery from both good borrowers and habitual defaulters has become difficult because of the ongoing economic hardship, according to the CEO.

"The rescheduling will help the bank recover a good portion of the fund from the group."

Fifteen out of 22 companies of AnonTex are now operational, and 20,000 workers and employees work for the group.

"A large amount of the defaulted loans is now stuck with the group. The rescheduling will pay off if the group can pay instalments regularly," he said.

AnonTex, set up in 2004, rescheduled its NPLs amounting to Tk 2,800 crore last year. Its total loans with the bank stand at Tk 6,300 crore.

The bank recovered Tk 388 crore from AnonTex in 2017, Tk 225 crore in 2018 and Tk 63 crore in 2019.

Md Younus Badal, managing director of AnonTex Group, said that his companies had been unable to take working capital loans from banks for the last three years.

"If the central bank allows rescheduling of the loans, we will take short-term loans to revive our business," he said.

The loans given to AnonTex were disbursed between 2010 and 2015 from the state lender's Janata Bhaban Corporate branch violating banking norms.

The loans accounted for more than 25 per cent of the lender's capital base, a violation of the single borrower exposure limit set in the Bank Company Act 1991.

The group became a defaulter and turned into a financial woe for the lender.

In September, defaulted loans at Janata Bank stood at Tk 13,125 crore, which is 25 per cent of the outstanding loans.

Doubts over continuation viability of Int'l Leasing

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It also should have maintained a regulatory capital of Tk 233.36 crore. This too was Tk 2,520 crore in the negative, which means a shortfall of Tk 2,753.58 crore.

Its carry forward loss amounted to Tk 2,803 crore up to December 31, 2019 as against a paid-up capital of Tk 221 crore. Hence, the provisional carry forward loss is 10 times its total capital, said the auditor.

In an investigation, the central bank found that Tk 1,596 crore was transferred from the ILFS in violation of rules through 48 accounts of various organisations related to its former director PK Halder and its shareholders.

When the news came to light, stocks of the company plummeted. The price stood at Tk 5.60 yesterday whereas its face value is Tk 10.

The ILFS's main source of cash inflows are from interest on lease, loan and advance, some 90.3 per cent of which are classified. So, the company is under a liquidity crisis when it comes to meeting depositors' demand, said the auditor.

On the other hand, the company's financial statement has been misstated with loans of Tk 204 crore, it said.

The company's return on investment and return on assets were 65.8 and 62.5 per cent in the negative respectively, the auditor added.

The ILFS should have maintained a provision of Tk 2,219 crore for the year 2019 against classified loans but it kept Tk 2,080 crore, it added.

China central bank urges Ant Group to set 'rectification' plan swiftly

REUTERS, Beijing
China's central bank urged Ant Group on Sunday to outline a concrete plan as soon as possible to meet regulatory demands and fully understand the seriousness of the "rectification" work it needs to perform.

The People's Bank of China (PBOC) also urged Ant to rectify illegal financial activities, including in its credit, insurance and wealth management businesses, and regulate its credit rating business to protect personal information, Vice Governor Pan Gongsheng said a day after meeting with representatives of the fintech group.

Chinese regulators last month abruptly suspended Ant's planned \$37 billion initial public offering, which had been on track to be the world's largest, just two days before its shares were due to begin trading in Shanghai and Hong Kong.

Ant did not immediately respond to an emailed request for comment. On Thursday, authorities said



The Ant Group headquarters in Hangzhou, in China's eastern Zhejiang province.

they had launched an antitrust investigation into parent Alibaba Group and would summon Ant in coming days, the latest blow for Jack Ma's e-commerce and fintech empire. The PBOC's demands also include

that Ant be more transparent about its third-party payment transactions and not conduct unfair competition, and that its setup of financial holding companies comply with the law to ensure the capital adequacy, Pan said.

Tk 600cr project to speed up automation in insurance

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"Most of the insurance companies weren't aware of the fact that we can also do office work without going to the office. A change is needed to

create a platform where insurance companies can give service without face-to-face communication," he said. Sajjadur Rahman, editor of Business Insider Bangladesh,

moderated the discussion while SM Ibrahim Hossain, director (additional charge) and chief faculty member at Bangladesh Insurance Academy, also spoke at the event.

Give IT freelancers loans, credit cards

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investment in the freelancing sector in order to turn Bangladesh into a developed nation by 2041. As part of the move, the government has already started providing the virtual ID cards.

The sector will be able to make appropriate progress if the freelancers get loans and credit cards from banks, said the central bank.

BASIS President Syed Almas Kabir welcomed the move, saying it would help give a boost to the freelancing sector. "We have long been requesting

the government to allow freelancers to enjoy bank loans. And the central bank has finally taken the time-befitting decision," he said.

He, however, raised questions over the categorisation of such loans.

The loans given to IT freelancers should be considered small and medium enterprise (SME) loans, not personal loans, he said.

If required, the BASIS will provide all-out support to banks to this end, Kabir said.

Vaccine optimism lifts stocks to 1.5yr high

FROM PAGE B1
The UK administered the vaccines on December 8 and the US on December 14. Mass vaccination across the European Union began yesterday.

Since December 8, the DSEX rose 279 points, or 5.5 per cent and the turnover almost doubled.

The market value of the stocks in the DSE edged up 3.19 per cent, or Tk 13,603 crore to stand at Tk 439,397 crore yesterday.

Turnover, an important indicator of the market, rose to Tk 1,521 crore, which was Tk 1,405 crore on the previous day. Yesterday's turnover was the highest since September 2017.

However, the DSE recorded a turnover of Tk 2,543 on June 28, but it was driven by a block trade for changing the ownership of GlaxoSmithKline to Unilever.

"The market has remained undervalued for the last few months, and the pandemic intensified it," said

Mir Ariful Islam, head of research of Prime Finance Asset Management Company.

"Now, investors are returning to the market."

The stock index usually remains in positive territory at the end of a calendar year.

"As the market crossed the 5,200 level strongly and the turnover is also moving handsomely, we are hopeful that the market will maintain a standard level in the upcoming months," Islam added.

The stock of Robi touched the circuit breaker on its second day of trading as it rose 50 per cent to Tk 22.50 because of higher demand.

Newly listed companies are allowed to rise a maximum of 50 per cent a day in the first two trading days, and then the increase is capped at 10 per cent.

Robi, the second-largest mobile phone operator in Bangladesh,

topped the gainers' list followed by SS Steel, LankaBangla Finance, Desh Garments and GPH Ispat.

Beximco Ltd was the most traded stock with shares worth Tk 126 crore changing hands, followed by IFIC, Beximco Pharmaceuticals, Bangladesh Submarine Cables and LafargeHolcim Bangladesh.

Of the total shares traded, 238 advanced, 66 declined, and 59 remained unchanged.

"Well-performing and blue-chip stocks have been rising the most for the last few days, which is a good sign for the market," said Abdul Alim, a stock investor.

Insurance stocks are going through a correction after surging 80 to 90 per cent, and this is very normal, he said.

Yesterday, Peoples Insurance shed the most of 6.72 per cent followed by Pioneer Insurance, Bangladesh General Insurance, Republic Insurance and Phoenix Insurance.

25th largest economy by 2035

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China will overtake the US to become the world's largest economy by 2028, five years earlier than previously forecast, the report said.

India is tipped to become the third-largest economy by 2030 and Pakistan will be placed at 36th in 2035.

Sri Lanka will become the 67th largest economy and Nepal will be placed at 95th.

Japan would remain the world's third-biggest economy until the early 2030s, when it will be overtaken by India, pushing Germany down from fourth to fifth.

The United Kingdom, currently the fifth-biggest economy by the CEBR's measure, would slip to sixth place from 2024.

Star's ICT awards tomorrow

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For the current year, 77 nominations were submitted and an independent jury panel evaluated the nominations and selected the winners in five categories.

The categories are: ICT Solution Provider (local market focus), ICT Solution Provider (international market focus), Digital Commerce, ICT Startup and ICT Business person.

An ICT Pioneer will be recognised for his contribution to development of country's ICT sector.

19 businesses to get president's industrial dev awards

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British American Tobacco Bangladesh took the top spot under large industry category followed by Incepta Pharmaceuticals in second position and Energypac Engineering and Olympic Industries jointly in third.

From among medium industries, Tafrid Cotton Mills came in first, Sheltech Technology and ECHOTEX jointly second and Envoy Fashions third.

Under the small industry category, Concept Knitting took the lead followed by APS Design Works and Summit Oil & Shipping Company.

TRIM TEX BANGLADESH secured first position among micro industries with Masco Overseas and Crimson Rosella Seafood respectively following suit.

Classical Handmade Products BD secured first position in cottage industry category, Intelligent Card second and Rupkatha Jubo O Mohila Unnayan Sangstha third.

Among those in the high-tech industry, ServiceEngine was selected for the first position and Metatude Asia the second. There was no third place in this category.

Budget execution faces roadblocks

FROM PAGE B1
Total government spending fell 12.87 per cent in the first four months of the fiscal year as the development expenditure declined 34.57 per cent on the back of slow implementation of the development projects due to the Covid-19 pandemic, the finance ministry said in a report.

Zaid Bakht, an economist, said the implementation of the budget and the ADP faced adversaries for most of the year. The execution of the mega projects had witnessed significant slowdown as foreign consultants and engineers returned to their homes because of the coronavirus pandemic.

"The impact of the economic slowdown is petering out. But it remains to be seen how the second wave of coronavirus infections plays out."

Bakht, also the chairman of state-owned Agrani Bank, said the government's borrowing did not go up as it could not spend much. "The spending is picking up now."

The revenue situation has not improved much as the global trade scenario and the economic activities at home have remained subdued. It is expected to see a similar trend in the coming months as well. "Overall, the government's financing has been facing a tight situation," said Bakht.

"But, if the public borrowing goes up, it will not create much problem for the government as banks are flooded with excess liquidity."

The excess liquidity in the banking sector stood at Tk 160,979 crore as of August, up 105 per cent year-on-year.

Bank borrowing more than halved to Tk 14,008 crore in July to October in FY21 from Tk 33,510 crore a year ago, finance ministry data showed.



Quazi Osman Ali, managing director of Social Islami Bank, opens two branches, one in Pragati Sarani of Dhaka and another in Mirsarai of Chattogram, through a digital platform from the bank's head office in Dhaka recently.



M Amanullah, vice chairman of Mercantile Bank, opens a branch at Nikunja in Dhaka recently. Chairman and lawmaker Morshed Alam joined the event through a digital platform.