

জীবনে প্রয়োজন আরো বেশি স্বাস্থ্য
 সর্বাধুনিক প্রযুক্তি সম্বলিত ব্যাংকিং সেবায় মাসিক আয়ের সাথে বাড়তি আয় যোগ করুন আর জীবন করুন সুসমৃদ্ধ।

সে কোন প্রয়োজনে ০৯৬১২০০১১২২
 ইসলামাবাদ শরীয়াহ'র মুনাব্বা নীতির ভিত্তিতে পরিচালিত



Star BUSINESS

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Non-bank borrowing escalates

REJAUL KARIM BYRON

The government's non-bank borrowing soared in the first quarter of the current fiscal year because of the country's utter failure to make the most of the availability of cheap foreign funds due to its poor record in project implementation.

As a result, the government's debt servicing cost would rise in fiscal 2014-15, warned the fiscal coordination council and the resource committee, both chaired by Finance Minister AMA Muhith, during respective meetings early this month.

To plug the holes in deficit financing, the government, during the July-September period, depended heavily on non-bank borrowing, as there was a huge sale of savings instruments.

Savings instruments worth Tk 6,820 crore were sold in the first quarter, a figure which has already achieved about 75 percent of the target for the whole year, a finance ministry official said.

If the current trend continues, the sales of the savings certificates would total 301 percent of the original target at the end of the fiscal year. The council thinks this will increase the government's debt servicing cost, according to the official.

Savers have rushed to government's savings certificates as they offer much higher interest rates than banks.

The government could not utilise the foreign financing due to its perennial poor

BUDGET ACCOUNTS	
IN JULY-SEPT	
Expenditure Tk	36,523 cr
Revenue collection Tk	34,785 cr
Deficit Tk	1,738 cr
Net foreign fund fell by Tk	1,699 cr
Bank financing declined by Tk	34 cr
Non-bank finance rose by Tk	3,371 cr

record in project implementation, although more than \$19 billion are available for the country. Most of these funds in the pipeline are the cheapest loans in the world.

In monetary terms, the net foreign financing declined Tk 1,699 crore and the bank financing by Tk 34 crore in the first quarter. On the other hand, non-bank financing rose Tk 3,371 crore.

The slow progress in expenditure could be viewed in positive light as it normally keeps the deficit in check.

But owing to poor revenue earning, the deficit stood at Tk 1,738 crore in the first quarter, a stark contrast from the same period last fiscal year, when the amount was Tk 4,031 crore in the surplus.

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IGW cartel proposal goes to Hasina

ABDULLAH MAMUN

The telecom ministry has recently sent to Prime Minister Sheikh Hasina the proposal of a group of international gateways (IGWs) for installing a "common switch" meant for controlling the entire cache of overseas calls.

IGW Operators Forum, comprising 17 gateways of the total 29 in the market, plans to introduce the system.

The switch will be led by seven gateways and may allow for a murky window for collecting unspecified fees, said operators who did not join the forum. They also said the switch may go against the competition law, contract law and long distance telecom policy.

A forum leader, however, denied the allegation.

The IGWs transmit international calls to operators through interconnection exchanges connected with other gateways.

The proposal was sent to the prime minister as she is now the in-charge of the ministry following former minister Abdul Latif Siddique's removal from cabinet over his comments on hajj and Prophet Muhammad (pbuh).

The forum is actually an agreement among the gateways and the government should not directly be involved in the pact, the ministry told the premier in a letter.

As the telecom regulator has been involved in the process, it will ensure that nothing goes against the law or rules, the letter said.

Md Faizur Rahman Chowdhury, telecom secretary, recently told The Daily Star that they are now examining the proposal.

Initially Bangladesh Telecommunication Regulatory Commission (BTRC) was against the proposal of forming the cartel, but later they got involved when some of the conditions in the proposal were changed.

After a couple of meetings with the gateways, the telecom regulator sent the proposal to the telecom ministry for approval. It also proposed amendment to some clauses of the telecom policy and relevant guideline to pave the way for the common switch.

However, a ministry official, asking not to be named, said the idea of forming the cartel goes against all legal framework of the government.

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A man looks at the 50,000-tonne grain silo under construction in Joymony village on the bank of the Pashur River in Mongla. Almost 65 percent work is complete.

Mongla silo nearly done

SOHEL PARVEZ

The construction of the food grain silo at Mongla is nearing completion, creating hopes of job opportunities and higher economic activities among locals of the decaying seaport town and its adjacent rural areas.

Already 65 percent of the construction work for the 50,000-tonne grain silo, the largest in the southwest region, has been completed, with the rest expected to be done by June next year, said Bimal Bhuiyan, the deputy project director.

The silo, which will be mainly used for handling imported wheat, is being built on the banks of Pashur River in Joymony village from across the Sundarbans.

Estimated to cost Tk 614 crore, the silo will facilitate the government to address food shortage in the southwest and the north in the event of natural disasters like cyclone, said officials at the Directorate General of Food.

The silo will be helpful in distributing cereals in the region, said Bhuiyan, adding that river routes will be used for the most part to transport cereals from the silo to districts in the region.

The Mongla silo will be the country's fifth and it would take the total storage capacity to 2.75 lakh tonnes from the present 2.25 lakh tonnes. Another silo, with 1.5 lakh tonnes capacity, might be built just beside it with financing from the World Bank, Bhuiyan said.

The food storage will have modern handling equipment and will reduce operational losses and arrest pilferages.

"We will be able to unload grains faster. Besides, the activities at the silo will create job prospects for couple of hundreds of people."

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MCCI elects new president

STAR BUSINESS DESK

Syed Nasim Manzur, managing director of Apex Footwear, has been elected president of Metropolitan Chamber of Commerce and Industry for 2015, the MCCI said in a statement yesterday.

Anis A Khan, managing director and chief executive of Mutual Trust Bank, has been re-elected as vice-president.

Manzur has investments in Apex Tannery, Apex Pharma, Apex Investments and joint-venture companies that include Blue Ocean Footwear, Grey Advertising Bangladesh and Quantum Consumer Solutions.

He sits on the board of Pioneer Insurance, Guardian Life Insurance, International Publications and Western Marine Shipyard, according to the statement.

Manzur is also the current president of Leathers Goods and Footwear Manufacturers and Exporters Association of Bangladesh.

Prior to joining MTB, Anis A Khan worked as managing director and chief executive of IDLC Finance.

Khan is the chairman of Primary Dealer Bangladesh, and vice chairman of the board of governors of the Association of Bankers, Bangladesh and Bangladesh Institute of Bank Management.



Isabella Lövin, Swedish minister for international development cooperation, speaks at the launch of her country's new development strategy for Bangladesh at Amari Hotel in Dhaka yesterday.

Sweden pledges Tk 1,659 cr in aid for Bangladesh

STAR BUSINESS REPORT

Sweden will give Bangladesh 1.6 billion Swedish krona, or Tk 1,659 crore, in development assistance in the next seven years.

The move is part of the Nordic country's development strategy for Bangladesh for 2014-2020, announced yesterday at an event at the capital's Amari Hotel.

The aim of the strategy is to: alleviate poverty; strengthen democracy, respect for human rights and gender equality; and contribute to sustainable development, it said in the strategy paper.

Last year, Sweden committed the same amount as development assistance for Bangladesh.

While speaking on the key areas of the new strategy, Isabella Lövin, Swedish minister for international development cooperation, said it has a long-term perspective -- realising the results achieved and focusing on some remaining challenges.

"It also takes into account the aim of the government of Bangladesh to become a middle-income country by 2021. And I am certain this aim can be reached in a sustainable and inclusive way."

Lövin said Sweden has supported Bangladesh's own development agenda for many areas, particularly in health and education, where the Scandinavian country has supported sector programmes for almost 30 years now.

Sweden's contribution to the health sector programme in Bangladesh is the Nordic country's largest anywhere in the world, she said.

In both the sectors Bangladesh has achieved "impressive results" and is expected to reach the Millennium Development Goals set up almost 15 years ago.

Lövin said despite Bangladesh's astonishing recent economic growth of around 6 percent per year, challenges still remain.

"In order to address these, we would like to continue our dialogue with the Bangladeshi government, development partners, and other actors in the Bangladeshi society such as the civil society and the private sector."

The new strategy focuses on gender equality as a perspective which should be taken into consideration in all of the country's interventions, she said.

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Social business summit starts in Mexico

STAR BUSINESS REPORT

The Global Social Business Summit began in Mexico City yesterday aiming to create and spread a movement in Latin America and the rest of the world riding on the business theory of Bangladeshi anti-poverty activist Muhammad Yunus.

The motto of this year's summit is shaping social business to shape the world of 2020.

This year's gathering, the sixth edition, will be a four-day programme that began with a research conference in the Mexican capital. On Wednesday, a meeting of young challengers will take place.

The main summit will open on November 27 with the inaugural speech by Prof Yunus and Mexican President Enrique Peña Nieto.

The annual event organised by Grameen Creative Lab and Yunus Centre gathers experts from the private sector, civil society, governments and academia over a few days of meetings, forums and workshops.

The summit is the leading forum for social business worldwide. It serves to spread awareness on social business, foster discussion and collaboration, as well as present and conceive best practices.

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Muhith comes down hard on businessmen

STAR BUSINESS REPORT

Finance Minister AMA Muhith yesterday came down hard on businessmen for their constant requests for lowering of interest rates for the sake of investment.

The same people refuse to reduce the interest rates when they become bank directors themselves, he said in parliament yesterday.

"It is necessary to stop this contradiction."

Businessmen should stop extreme profiteering, Muhith said.

Also at the session, Muhith refused to give answers to two questions -- one from an independent MP and another from Jatiya Party MP -- that probed what actions the government has taken against the "looting of thousands of crores of taka from different state banks in the name of giving loans".

Replying to another query, Muhith informed the House that the "pay and service commission 2013" will submit its report before the government by December 15.

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Banks, tax offices to remain open on Saturday

STAR BUSINESS REPORT

Banks and tax offices will remain open on Saturday to help people pay taxes and submit income tax returns within the November 30 deadline, Bangladesh Bank and National Board of Revenue said yesterday.

All main branches of private and state-run banks at the district and division levels will remain open on the day, the central bank said in a notice.

Tax offices at the field level will also receive tax returns from 9am to 5pm, the NBR said in another notice.

The tax administrator had earlier extended the deadline for submitting income tax returns till November 30 amid pleas from different trade and professional bodies.

The authorities are unlikely to extend the deadline further, said Syed A Momen, NBR's senior information officer.

Mobile operators to face fresh audits next year

STAR BUSINESS REPORT

The telecom regulator will open fresh audits into mobile phone operators by next year, its chief said yesterday.

Seven international firms have submitted their offers to conduct the audits in association with local audit companies, said Sunil Kanti Bose, chairman of Bangladesh Telecommunication Regulatory Commission.

"The appointment process is going on and will be completed by next year. The audits will start soon after," he said.

The regulator had earlier appointed several audit firms to audit top two operators -- Grameenphone and Banglalink, but the bid failed.

Grameenphone had rejected the audit report and taken the matter to the apex court, saying the audits were not conducted in accordance with norms. Two firms were tasked with auditing Banglalink, but they later declined to do so.

Bose sat with reporters to clear his position over media reports on the detection of financial anomalies worth Tk 6,195 crore at statutory bodies, ministries and state-run banks.

The Office of the Comptroller and Auditor General (CAG) came up with the amount, of which, the most irregularities in terms of money took place at the BTRC.

Bose said the issues will be disposed of at the public accounts committee of the parliament.

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