ASIAN MARKETS

TOKYO

0.50%

MUMBAI

0.57%

\$55.34

জীবনে প্রয়োজন আরো বোশ স্বাচ্ছন্দ্য সর্বাধুনিকপ্রযুক্তি সম্বলিত ব্যাংকিং সেবায় মাসিক আয়ের সাথে বাড়তি আয় যোগ করুন আর জীবন করুন সুসমৃদ্ধ। যে কোন প্রয়োজনে ০৯৬১২০০১১২২ সৈলামী শরীআহ'র মুদারাবা নীতির ভিত্তিতে পরিচালিত

DHAKA TUESDAY DECEMBER 30, 2014, e-mail:business@thedailystar.net

COMMODITIES

Mobile cash grows 17.48pc in Nov

STOCKS

0.65%

DSEX

STAR BUSINESS REPORT

Cash transactions in mobile banking rose 17.48 percent in November from the previous month, thanks to the growing popularity of the services, according to Bangladesh Bank.

The average daily transactions by mobile were Tk 322.48 crore in November, up from Tk 274.51 crore in October.

The number of subscribers grew 7.19 percent to 2.33 crore in November from the previous month.

The value of mobile banking transactions stood at Tk 9,674.46 crore in November, up from Tk 8,235.28 crore in October, according to central bank data.

It is observed that person to person money transfer, 'cash in' and 'cash out' are the most popular types of transactions.

The total number of agents providing such services across Bangladesh grew 0.43 percent to 5.19 lakh until November 30, the data shows.

As part of the government's financial inclusion programme, the central bank allowed 28 banks to provide mobile-banking; and 19 of them have so far launched the service.

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another year before it releases the sixth instalment SOHEL PARVEZ winner set to start work within one of the \$1 billion Extended Credit with the government. The National Board of Revenue has Facility loan.

VAT law delayed by

extended the deadline for implementing the contentious VAT law by a year to July 2016, due to delays in software procurement and opposition from businesses.

The revised plan was posted on the NBR website. The VAT law was originally scheduled to roll out in July 2015.

International Monetary Fund demanded an official roadmap for the implementation of the VAT law

Seeing the government dithering over the VAT law, the multilateral lender in October decided to defer the release of the instalment, amounting to around \$140 million.

In the new roadmap, the NBR pledged to complete the procurement of the software, hardware and networking materials needed to The disclosure comes after the build an integrated VAT administra- Tk 551.52 crore-project. Of the tion system by June 2015.

at the end of November, with the

month of signing of the contract

CURRENCIES

BUY TK 77.85

SHANGHAI

0.33%

0.42%

The NBR aims to complete the first phase of the two-staged tendering process by January 19 next year.

The revenue authority cancelled the first tender in July following complaints of lack of transparency by a representative of a bidder.

It is also preparing to float the tender to appoint consultant for the amount, the World Bank will pro-A tender has already been floated vide about Tk 470 crore in loans.

told The Daily Star, explain-

ing how they have become

the market leader, both in

issuing and acquiring of

up with companies from

various sectors such as food,

travel, entertainment and

health care to give its card

still a "vastly under-tapped

market", mainly due to

some regulatory barriers

He said Bangladesh is

users a price benefit.

He said City has teamed

credit cards.

READ MORE ON B3

2014: a mixed bag for the economy

Political stability and economic reforms crucial for 2015: economists

MD FAZLUR RAHMAN

The country will say goodbye to 2014 with mixed achievements as there are encouraging improvements in some sectors of the economy and disappointing developments in others.

.......

The overall political scene was largely calm, punctuated by small-scale strikes and demonstrations.

This helped the economy operate almost smoothly, and macroeconomic stability was by and large maintained.

Inflation was under control, driven in part by favourable international price trends and a conducive monetary policy framework.

Agricultural growth followed its normal path, aided by benign weather, reasonably smooth functioning of agricultural input markets and improved farm gate prices.

A significant increase in the overall balance of payments surplus boosted official foreign exchange reserves as the Bangladesh Bank intervened to prevent a large appreciation of the nominal exchange rate.

READ MORE ON B3

City Bank: front-runner in credit cards

Bankers say regulatory barriers have slowed business

MARKET SHARES OF CARD ISSUERS

SOURCE: DATA FROM INDIVIDUAL BANKS

27% The City Bank

Brac Bank

Eastern Bank

Dutch-Bangla Bank

Standard Chartered Bank

SAJJADUR RAHMAN

The City Bank has outpaced its rivals in credit card business, thanks to a strong marketing drive with its American Express cards that offered unique and higher lifestyle benefit to users.

Although the sector has long been going through a slow period, City has grown exceptionally -- 25 percent a year, on average, in the last five years -- to take the total number of its credit cards to more than 192,000 at the

end of November. Long-time market leader Standard Chartered Bank has around 150,000 active credit cards, according to data

from the bank. Most banks in the business offer Visa and MasterCard, but only City issues American Express.

"We have made credit cards an integral part of lifestyle," Mashrur Arefin, deputy managing director of City,

5%

Market players blame the slower-than-expected growth on a number of issues -- a lack of user-friendly infrastructure, high interest rates and fees, the annual ceiling of Tk 5 lakh per card, mandatory use of tax identification number and extra caution in issuing cards.

related to travel quota and annual card limit.

Standard Chartered, after acquiring Grindlays Bank's Bangladesh operations, pioneered the product 17 years ago.

READ MORE ON B3

Branch

Hamid Fabrics goes for expansion with IPO funds

GAZI TOWHID AHMED

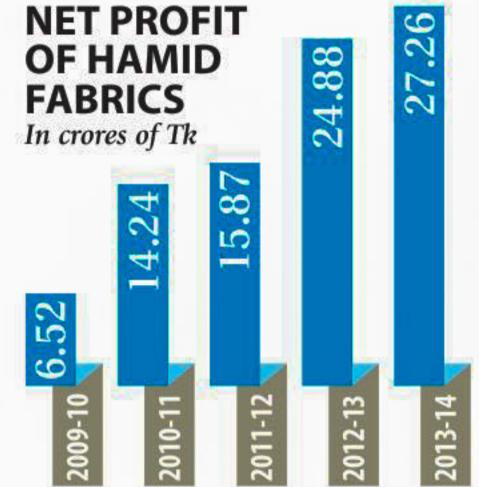
Hamid Fabrics, a unit of Mahin Group, will install 50 high-powered loom machines to double the production capacity of its weaving unit in Narsingdi.

.......

The renovated facility will be able to make 30,000 yards of gray fabric a day and production will begin in the third quarter of 2015, said Abdullah Al-Mahmud Mahin, managing director of Mahin Group. The company's total annual output capacity will rise 16.7 percent to 28 million yards in 2015 from now.

The company is investing Tk 72.2 crore from its IPO (initial public offering) generated fund to set up the new machines at the factory in Shilmandi of Narsingdi.

Hamid Fabrics raised Tk 105 crore from the public in August, of which Tk 30.34 crore was marked to repay bank loans with. An additional Tk 2.45 crore was spent on IPO proceedings, and the rest was set aside for business expansion.



Net profit of Hamid Fabrics rose 9.57 percent year-on-year to Tk 27.26 crore in last fiscal year thanks to growing orders from buyers, he said.

READ MORE ON B3

SOURCE: FINANCIAL REPORT



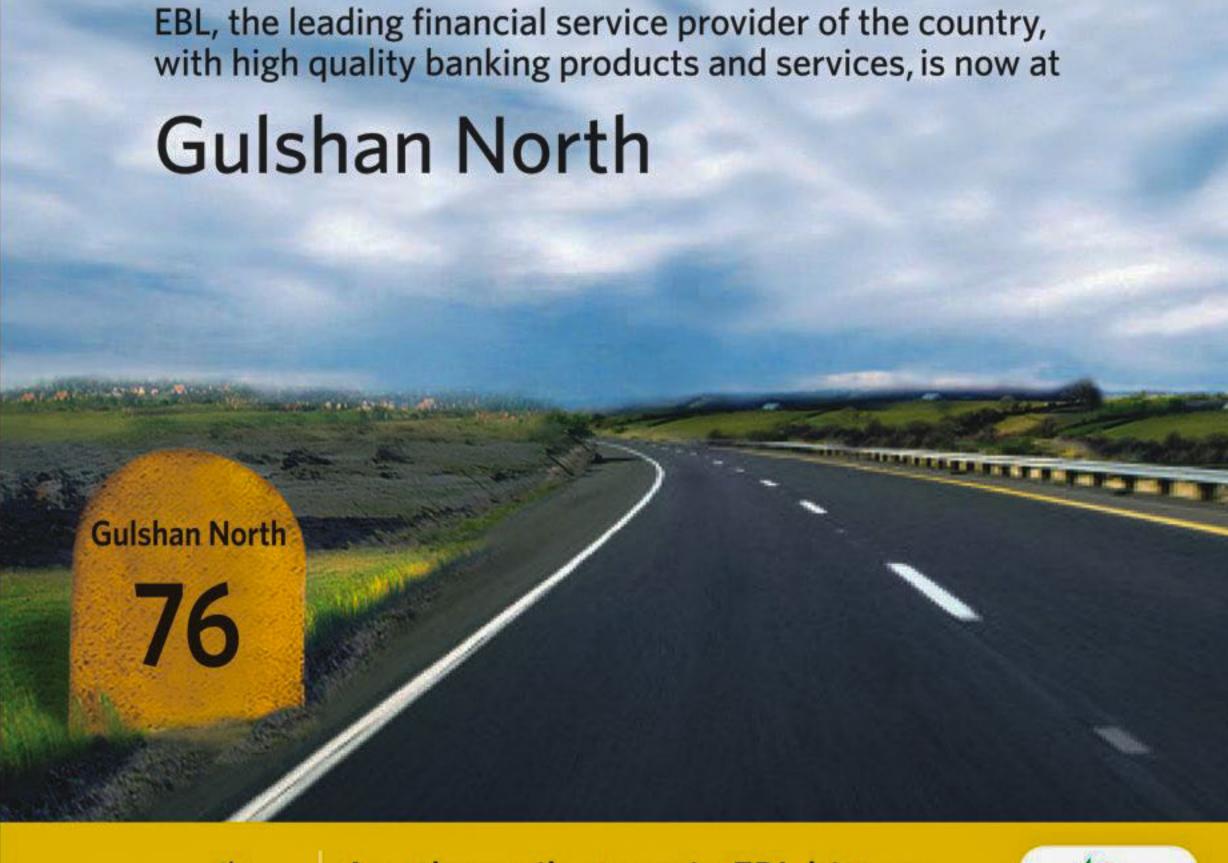
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