

সমৃদ্ধির (শেপান) দ্বিগুণ আয়ের শ্রেষ্ঠ উপায়

মুদারাবা দ্বিগুণ বৃদ্ধি ডিপোজিট ফ্রিস

সর্বাধুনিক প্রযুক্তি ও সমৃদ্ধ ব্যাংকিং সেবায় আমানত দ্বিগুণ করুন স্বল্পসময়ে



ইসলামী শরী'আহ মুদারাবা নীতির ভিত্তিতে পরিচালিত

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Star BUSINESS

DHAKA FRIDAY MARCH 20, 2015, e-mail:business@thedailystar.net

BB rolls out rewards for good borrowers

10pc rebate, loan extension announced

STAR BUSINESS REPORT

Bangladesh Bank yesterday unveiled a new policy to provide good borrowers with incentives, including a 10 percent rebate on interests, in an effort to eliminate wilful loan default culture.

Before this, the central bank formulated various policies to rescue struggling big borrowers but never did they come up with any institutional policy to encourage good lending culture in Bangladesh, the central bank said in a notice.

The move comes nearly two months after the central bank approved a restructuring policy for large borrowers, providing them a maximum of 12 years to repay loans above Tk 500 crore.

While justifying the policy for large borrowers at the time, Bangladesh Bank Governor Atiur Rahman disclosed plans to prepare a rebate policy to reward borrowers who have repaid their loans on time.

The central bank yesterday came up with the definition of good borrowers. Good borrowers must not have any classified loans in the last three years.

In case of current loans, if borrowers make regular repayment for three consecutive years, banks will have to provide a 10 percent rebate on interests at the end of third year.

Against demand loans, banks will have to provide the same rebate on the interests to be accrued from the credit on the third year. In case of term loans, banks will have to provide a 10 percent rebate on the interests to be realised on the third year.

All borrowers will continue to enjoy the waiver every year afterwards. Besides, banks can extend additional credit on demand.

The central bank has made it mandatory for banks to provide the incentives to all its clients, a move which was well received by bankers.

"It's a good policy. It will motivate borrowers to remain regular on their instalments," said Anis A Khan, managing director of Mutual Trust Bank.

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Factories disappear into thin air after taking duty benefits

SOHEL PARVEZ

Some 476 factories have vanished after taking tax and duty-free benefits under the bonded warehouse facility, costing the country hundreds of crores in lost revenues, a recent survey found.

The Customs Bond Commissionerate or CBC, which conducted the survey, has now suspended licences of the firms and informed the banks about the move.

It has also issued a notice to all customs houses and VAT commissionerates to stop the companies' import and export activities.

Some 314 companies out of the 476 firms owe Tk 726 crore in revenues to the government for non-compliance with the rules of the bonded warehouse facilities, according to the government agency.

The CBC carried out the survey through physical inspection of the firms that earlier got bond licenses for duty-free imports of raw materials for making finished products for exports, said a senior official of the CBC.

This was the first time the CBC in Dhaka has inspected all of the 6,000-plus bonded licensees it regulates. It checked whether the licensees have factories and required machineries, are

TOP 15 FACTORIES THAT OWE MONEY TO STATE

FIRMS	MONEY OWED (IN CRORES PF TAKA)
Vega Garments	45.53
Wiremech BD	43.66
Abu Plastic Industries	43.32
Phantom Apparels	32.49
Legend Electronics	30.98
Integrity Apparels	25.90
Sanjari Toys	21.66
Meem Packages and Accessories	21.20
AKS Polymer Industries	19.67
Jacoss Garments	17.31
Nice Knitting Apparels	16.35
Milan Clothing	16.24
Polymar Packaging Industries	16.10
Fuji Knit & Fashion Wear	14.18
New Wave Bottoms	12.29

SOURCE: CUSTOMS BOND COMMISSIONERATE

operational and their volume of production.

Bonded warehouses allow exporters to store taxable imports, mainly raw

materials, in secured areas without payment of duties and taxes, and use them in manufacturing for export.

The authorities issue bond licences to export-oriented firms, allowing them to import raw materials at zero duty on condition that they will make finished products with the same imported raw materials and export them.

"Bond licence holding companies need to have a physical presence. But we have not found their existence," said the official.

Most of these non-existent companies are from the apparel industry. There are also firms from plastic, packaging, accessories and electronics industries, according to the survey findings.

The commissionerate has started issuing notices to the management of the firms for their non-compliance. It has already taken actions such as freezing of banks accounts and filing cases against 86 firms.

The official also said bond licensees require submitting reports of their exports annually against the raw materials they import under the duty-free privilege. But many of these companies have not done so every year.

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WB to funnel \$200m loans for rural poor

STAR BUSINESS REPORT

The World Bank will provide \$200 million in loans to alleviate poverty for around five million people in rural Bangladesh.

The loan under the Nuton Jibon Livelihood Improvement Project will benefit people of the poorest upazilas in 21 districts and support livelihoods by increasing access to market through business partnerships and funding small rural infrastructure, the Washington-based lender said in a statement yesterday.

The project will also help the poor and extreme poor, often left out of microcredit schemes.

It will also work on nutrition awareness, agricultural knowledge and continue to focus on youth job opportunities.

Bangladesh has made remarkable progress in reducing poverty, with 16 million people coming out of poverty in the last one decade, Johannes Zutt, WB's country director, said. Yet, poverty remains a daunting development challenge, as there around 47 million poor people still, he added.

The project will cover around 2,500 new villages in 12 districts in addition to the about 3,200 villages supported under the Social Investment Programme Project-II.

"We have seen that when the poor people, particularly women, are given the chance, they successfully prioritise their needs, manage resources and engage in livelihood activities that help them transform their lives," said Frauke Jungbluth, World Bank's task team leader for the project.

The project builds on the lessons of the Social Investment Programme Project that started as a pilot in two of the poorest districts of Bangladesh in 2003 and gradually expanded to 14 more districts.

The credit is from the International Development Association, the World Bank's concessional lending arm, and will mature in 38 years with a six-year grace period. It carries a service charge of 0.75 percent.



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Danish minister calls for more focus on worker rights

REFAYET ULLAH MIRDHA

Bangladesh has progressed a great deal in workplace safety and labour rights in the garment sector after the Rana Plaza building collapse in 2013, Danish Minister for Trade and Development Cooperation Mogens Jensen said yesterday.

Textile production in the country has now changed and is getting a better environment, and at the same time, business is improving as well, Jensen told reporters at the Westin Hotel in Dhaka.

But there should still be more focus on worker rights and working conditions in order to get a real sustainable condition all over the country, he added.

Denmark and Bangladesh yesterday signed an agreement in which the Danish government will deploy a special adviser to work with the labour ministry in Dhaka with the view to improve the working conditions further, he said.

The minister was impressed with the economic growth that the country has witnessed over the decades.

"There is no doubt that more economic growth and wealth distribution in society is important for Bangladesh. And to increase growth, to increase wealth, you need to invest



Mikail Shipar, labour secretary, and Peter Stensgaard Morch, permanent secretary of Denmark's employment ministry, shake hands after signing a deal to improve working conditions in garment factories, in Dhaka yesterday. Foreign Minister Abul Hassan Mahmood Ali and Danish Trade and Development Minister Mogens Jensen were also present.

in the production sector -- not only in garment, but also in some other promising sectors like leather and shipbuilding."

The country needs to improve both

labour and environmental conditions to achieve higher production quality, said Jensen on the export potential of the other sectors.

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Stocks break free from losing streak

STAR BUSINESS REPORT

Stocks broke a five-day losing streak yesterday, but turnover slumped to the year's lowest level amid thin participation of investors in trading.

The day's turnover dropped 46.8 percent from the previous session and went down to Tk 166.61 crore.

Equity market participation became lacklustre with the trading value slumping to a two-and-a-half month low, as investors were engrossed in watching the Bangladesh-India World Cup cricket match, said LankaBangla Securities.

DSEX, the benchmark general index of Dhaka Stock Exchange, accelerated 25.2 points or 0.56 percent, closing the last day of the week at 4,468 points.

Cricket World Cup match has largely affected investor sentiments in the market, which is reflected in the market performance," the stockbroker said.

On the money market front, Bangladesh Bank bought \$475 million directly from the banks during the first 16 days of the current month, aiming to keep the inter-bank foreign exchange market stable and protect the interests of both exporters and migrant workers.

On the premier bourse yesterday, almost all the major sectors gained in market capitalisation with banks increasing 0.48 percent, cement 2.77 percent, pharma 0.67 percent and textiles 0.76 percent.

Gainers beat losers, as 178 scrips advanced, 95 declined and 33 remained unchanged on the DSE

floor. Lafarge Surma Cement dominated the turnover chart with its transaction of 8.5 lakh shares worth Tk 9.68 crore, followed by Grameenphone, Ifad Autos, Shahjibazar Power Company and ACI.

Hwa Well Textiles was the day's best performer, advancing 5.06 percent, while United Finance was the worst loser, slumping 12.03 percent.

Chittagong stocks also rose yesterday with the bourse's selective category index, CSCX, increasing 44.86 points to close at 8,300 points.

Of the traded issues, 134 gained and 46 declined, with 33 securities unchanged on the port city bourse.

Some 45.15 lakh shares and mutual fund units traded on the Chittagong Stock Exchange, generating a turnover of Tk 14.99 crore.

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