

Samsung, GP launch Galaxy S6, S6 edge

STAR BUSINESS DESK

Samsung Bangladesh has partnered with Grameenphone to launch two flagship smartphones: Samsung Galaxy S6 and S6 edge.

Grameenphone customers can pre-book the phones and win free accessories and free data from tomorrow, Samsung said in a statement yesterday.

Galaxy S6 will be available at Tk 69,900 while Galaxy S6 edge will be sold at Tk 79,900, according to the statement.

Grameenphone customers can purchase the phones at Tk 2,500 per month in 24 easy instalments with a minimum down-payment of Tk 9,900, Samsung said.

Hasibul Haque, head of product at Grameenphone, and Choon Soo Moon, managing director for Samsung Bangladesh branch of Samsung India Electronics, signed a deal to that effect recently.

The Galaxy phones can be charged wirelessly with incredibly fast wired charging, providing about four hours of usage after only 10 minutes of charging in ideal test conditions, Samsung said.

The phones are also equipped with bright and fast front cameras of 5 megapixels and rear cameras of 16 megapixels with a storage capacity of 32GB.

The Samsung galaxy sets will be available in white pearl, black sapphire, and gold platinum colours during pre-booking, and Galaxy S6 in blue topaz and S6 edge in green emerald after the launch, according to the statement.

New chief for FSIBL



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Syed Waseque Md Ali has been promoted to managing director of First Security Islami Bank, the bank said in a statement yesterday.

He served as the managing director (current charge) prior to this appointment.

Ali has more than 30 years of banking experience, having started his career with IFIC bank in 1983.

He joined First Security Islami Bank in 2008 and later worked as deputy managing director, according to the statement. He also worked with Dutch-Bangla Bank for about a decade until 2008.

Argentine soy stocks double

REUTERS, Buenos Aires

Argentine farmers have stockpiled more than twice as much soy this year than last, defying a government desperate to increase export tax revenue needed to finance rising state spending ahead of the October presidential election.

Growers say the increase in soybean reserves, to 7.4 million tonnes from 3.4 million, comes from a 12-percent larger harvest. With another record crop expected this year, farmers are holding onto to beans as a hedge against high inflation and low world oilseed prices.

Unable to raise cash in the global bond market after defaulting last year, the government is pressuring soybean growers to sell in order so it can collect the 35 percent tax it slaps on soybean exports.

They are required under a new rule to report each purchase of "silo bag" storage units. Those found to be piling up soy are disqualified from receiving state loans.

"The government is establishing norms to pressure farmers into selling faster. But considering the uncertainties that they are facing, they will not accelerate their sales, which are already brisk," said Ernesto Ambrosetti, chief economist at the Argentine Rural Society (SRA), which represents big farmers.

Based on estimates from the SRA and local grains exchanges, the 7.4 million tonnes of soybeans held in reserve as of the end of last month accounted for about 14 percent of the 52 million tonnes harvested in the 2013/14 crop year.

At the same time last year they had stockpiled 3.4 million tonnes, or 7.1 percent of a crop of 48 million tonnes. The Argentine agriculture ministry declined to comment on the numbers of complaints from farmers that they are being unfairly targeted.



Syed Manzur Elahi, chairman of Apex Footwear, and Syed Nasim Manzur, managing director, pose with the suppliers of the company at the Supplier Excellence Award programme held at Spectra Convention Centre in Dhaka on Thursday.

Pakistan cuts key interest rate

AFP, Karachi

Pakistan's central bank cut its key interest rate by 0.5 percent on Saturday in a bid to give the country's improving economy further momentum.

"The central board of directors has decided to reduce the policy rate by 50 basis points from 8.5 percent to 8.0 percent," the Central State Bank of Pakistan said in a statement.

The interest rate reduction comes as inflation sits at eight percent, down from a high of around ten percent last year.

On Saturday, the bank projected that inflation would fall to as low as four percent by the end of this fiscal year on June 30.

It also expressed hope that Pakistan's GDP growth rate would surpass the 4.4 percent recorded in the previous financial year.

Pakistan's economy was in a mess when Nawaz Sharif took over as prime minister in May 2013, with the International Monetary Fund granting a \$6.6 billion loan package later that year.

The loan came on condition that Pakistan -- which was suffering an energy crisis -- would carry out extensive economic reforms, particularly in the energy and taxation sectors.

The central bank noted that the economy was now on a more stable footing and was benefiting from the drop in world oil prices.



Ershad Hossain, managing director of City Bank Capital Resources, and Faizul Hamid, managing director of CloudWell, sign an equity arrangement agreement at the bank's headquarters in Dhaka on Wednesday.

Saudi looking beyond oil price slump as rig count spikes

REUTERS, Dubai/Khobar, Saudi Arabia

As the global energy industry stares transfixed at a spectacular drop in US rigs, Saudi Arabia is ramping up the number of machines drilling for oil and gas despite a sharp fall in the price of crude.

Industry sources and analysts say the Opec kingpin is looking beyond the halving of global oil prices since June 2014 to a time when crude could again be in short supply.

Riyadh is therefore keen to preserve what is known as its spare capacity -- the kingdom's unique ability to raise oil output quickly at any given moment.

But to achieve that, Saudi Arabia has to drill much more than in the past, after boosting output to record levels to compensate for global supply outages in the past four years.

"The Saudis are probably worried about everyone else reducing capex as a result of low oil prices and about non-Opec output falling off a cliff at some point. We all know that supply disruptions are unpredictable but they are certain," said Gary Ross, executive chairman of New York oil consultancy PIRA.

"The increase in Saudi rig numbers is like a signal to the industry -- let's be rational. We will need supply growth in the future."

State oil giant Saudi Aramco used a record-high 210 oil and gas rigs in 2014, up from around 150 in 2013, 140 in 2012 and some 100 in 2011, according to previous industry estimates.

Amin Nasser, Aramco's senior vice-president for upstream operations, said this month his firm had yet to decide whether to increase the rig number in 2015 from the 212 currently in use.

But data shows the numbers are still rising.

Excluding non-US-registered rigs such

as Chinese or Russian, February 2015 saw a total Saudi rig count of 155, up from 150 in January and 146 in December, according to data from Opec and US oil services company Baker Hughes. Since 2010, the number of US-registered rigs has doubled from 67.

Sadad al-Husseini, a former senior executive at Aramco and now an energy consultant, said the rise in the Saudi oil rig count had been evolving over a long period.

"You need to drill more wells if you are producing 10 million barrels per day and maintaining your spare capacity," he said.

"It is also a natural phenomenon in the oil business that the more you produce, the more you deplete your reserves and the more rapidly your field capacity declines. You need to drill more wells more frequently, simply to maintain production capacity."

Maintaining Saudi Arabia's spare-capacity cushion for oil is costly.

The country is effectively investing in something it cannot monetise immediately, but it sees the strategy as a pillar of its stature as the most important global oil player and a G20 member.

In 2008, Oil Minister Ali al-Naimi said production capacity would rise to 15 million bpd from 12.5 million but the plan was put on hold after the global financial meltdown of late 2008 saw oil plunge below \$40 a barrel.

Subsequent events such as Libya's 2011 civil war tested the Saudi ability to ramp up output to help soothe global supply outages and showed that spare capacity could not be eroded if Riyadh wanted to continue playing a key role.

Saudi Arabia's refusal to cut output last year has played a part in the most recent oil price slump, as Riyadh fights to maintain its market share against competing sources of crude.

Bangladesh vulnerable to cyber attacks

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"These actions could compromise national security and interests," he said at a discussion on the future of cyber security on the last day of a two-day Tech Summit 2015 at Sonargaon Hotel in Dhaka yesterday.

The country has witnessed high-profile security breaches over the last few years, according to Cooper.

Last year, bank accounts of a private bank were compromised and money withdrawn from them, while the websites of Bangladesh Police and Rapid Action Battalion were hacked this year.

In 2012, 26 government websites were hacked, and in 2013, a private university's website became a victim.

There was at least one serious vulnerability at 84 percent of the websites in 2013-14.

Cooper said the country has struggled to cope with the implementation of its cyber-crime laws despite setting up a fast-track court for speedy trials in 2013 and allowing law-enforcers to arrest individuals without a warrant.

While such legal mechanisms are being developed, companies in Bangladesh will need to increase investments to safeguard themselves against cyber attacks, as the damage caused could be heavy, Ernst & Young said in a report.

One of the key impacts is the increasing cost to recover from cyber-fraud or data breaches. Other fallouts of cyber attacks to a business include damage to brand and other reputational losses and harm to customer relations and retention.

Cooper said cyber space is no longer restricted to traditional computers, servers and networks via internet.

It has expanded to all ICT systems, machines and people communicating with each other locally or remotely through computer networks, telecom networks, internet cloud and through any other hybrid technology cluster.

"No company is really safe," he added. Koushik Nath, vice-president of Systems Engineering, Cisco India & SAARC, said about 55 billion devices

would be connected with the internet by 2020.

As a result, security of these devices would be a huge issue in the coming days, he said, adding that brilliant brains are working to attack over cyber space.

Shayshi K Bhalla, director of technology sales and services for India & Saarc at Trend Micro, a global leader in cloud security, said hackers enjoy immunity as they do not face serious punishment even if their attempts to attack a system goes in vain.

The companies should put in place prevention, detection, analysis and response system in place to thwart any cyber attacks, he added.

Arfe Elahi, technology specialist of a2i Programme of Prime Minister's Office, said the government is planning to set up cyber security centres to prevent such attacks.

The country now needs to leverage best practices for developing cyber security policies, encourage the formation of cyber threat intelligent centres and ensure collaboration between the chief information officer or chief information security officer and government bodies.

The Ernst & Young report recommended enactment of appropriate cyber laws, which are indispensable to legalise and regulate the internet in the country.

It also called for raising awareness among the users, realigning local regulations and practices with foreign countries and ensuring telecommunications and IT equipment procured is free from potential threats or bugs.

Bangladesh has been ranked among the top 30 outsourcing destinations by various research firms, as it offers young, trained and English-speaking resources at almost 40 percent lower costs than those in India and the Philippines.

IT companies in Bangladesh serve clients in more than 60 countries. The country's IT and ITES industry was worth around \$400 million in 2013.

CTO Forum Bangladesh and INFOCOM, an initiative of Anandabazar Group, one of India's leading media conglomerates, organised the two-day event.

Liberalise to boost growth: Atiur

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We need to maintain our stability at any cost to steer further growth in the years to come."

The pro-poor governor said the growth momentum that the country has achieved over the last decade must be long-lasting to fight poverty and should be further energised to help the economy graduate to the middle-income bracket by 2021.

The central bank governor also touched

upon the recent rise of nonperforming loans, terming it to be potentially alarming.

"Bangladesh Bank has already taken some corrective measures to clamp down on classified loans -- we hope to see their descent soon."

Digital technology has been deployed to investigate big financial transactions and loans in order to stop the repetition of banking irregularities, he added.



Quazi Shairul Hassan, managing director of Saudi-Bangladesh Industrial and Agricultural Investment Company, and Alihussain Akberali, chairman of BSRM Group of Companies, pose after signing an agreement yesterday to set up a purification facility to supply fresh drinking water to Khulna's Kailashganj union.

Dyeing factories have dismal record of effluent treatment

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"That's a serious concern," he said, adding that water consumption in dyeing factories would also rise without an increase in efficiency of water use.

Mansur, citing the results of an IFC-led project, said \$6 million was saved in 51 dyeing units for adopting best practices for cleaner production.

Water charges should be adjusted keeping in mind that if water efficiency in the wet processing sector is improved to the globally acceptable best practice level (between 50 and 70 litres per kilogram) it would keep the ground level broadly unchanged, he said.

He also suggested charging higher fees for factories inside city corporations, municipalities and lower fees for locations such as industrial parks, citing China as an example.

Mansur also favoured giving financial and fiscal incentives to entrepreneurs to adopt low-cost cleaner production practices and use less hazardous chemicals. He also proposed for increasing import duty and taxes on hazardous chemicals.

Md Kawsar Ali, chief operating officer of Comfit Composite, said his company has reduced its water consumption to 50 litres per kilogram from 180 litres by adopting cleaner production technology.

In so doing, the company saved nearly Tk 1 crore in 2014, he said, adding that Comfit Composite has also achieved zero-discharge hazardous chemical status.

Kazy Mohammad Iqbal Hossain, representative of C&A, said they are working with 17 factories to stop the usage of 11 categories of hazardous chemicals.

Bangladesh does not produce these chemicals but import them, he said, while suggesting for an increase in duty on these chemicals.

Atiqul Islam, president of Bangladesh Garment Manufacturers and Exporters Association, said apparel makers will have to address all issues, from occupational and workplace safety through to environmental sustainability, to be in the business.

"This is a pressure. If we cannot address the issues, we will be out of business," he said, adding that many entrepreneurs have shown interest in establishing green factories.

He went on to call for low-cost bank loans and special incentives to encourage entrepreneurs to establish ETP and use water-efficient technologies.

Anwar Hossain Manju, minister for environment and forests, said air pollution is very high in Dhaka, while the water supplied by the government agency is not fit for drinking.

He said local entrepreneurs have made strides despite many hurdles such as corruption, delays in getting decisions from government agencies and political upheavals.

About the current political limbo, he said the situation is not at all convenient for investment.

Referring to BGMEA's target of achieving \$50 billion in garment exports by 2021, Manju said: "I was thinking what would be the political situation in 2021. You have got to be hopeful; you have got to be pragmatic. Of late, politics has brought out a different dimension. If that continues, we have got to have a contingency plan as well."

Defaults creep up at NBFIs

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The NBFIs have a much smaller number of clients, so they can manage their loan portfolio efficiently, he said.

Furthermore, the chief executives of NBFIs directly manage their loan portfolios, so the chances of them turning bad are low, according to Rahman.

However, the NBFIs expect the situation to take a turn for the worse in the near future, given the seemingly never-ending nature of the current political unrest.

So much that many good clients now cannot maintain their regular repayment schedule, said a chief executive of an NBF preferring not to be named.

Yet, the central bank's inspection team "in their subjective observation" has been classifying many of the loans, he added.

Khan went on to urge the BB to give the NBFIs some relief from the subjective classification.

"Given the current scenario, it should not be logical to classify the loans in subjective consideration."