Stocks end week with gains as investors inject funds

STAR BUSINESS REPORT

Stocks continued to gain for the third day in a row riding on increased participation of inves-

DSEX, the benchmark index of the Dhaka Stock Exchange, rose 32.43 points or 0.79 percent, before closing the last day of the week at 4,122.32 points.

"The index sustained its gaining streak, as investors cautiously kept injecting funds into the bourse, hoping that the market would substantially recover in the coming days," said IDLC Investments.

The level of participation kept improving gradually as investors were moving cautiously, the merchant bank said.

The market ended positive the stockbroker said. depending on the banking, fuel Securities said.

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4,100 points that brought confi- hands. dence back among the investors,"

and power stocks, LankaBangla important indicator of the market, actions of 25.15 lakh shares worth also rose 14.9 percent to Tk 419.32 Tk 48.93 crore, followed by ACI "The market remained above its crore with 9.75 crore shares and Formulations, ACI, Ifad Autos and psychological resistance level of mutual fund units changing Bangladesh Submarine Cable

United Power Generation and Distribution Company topped the The day's turnover, another turnover leaders' chart with trans-

DSEX INDEX

Company.

unchanged on the DSE.

Among the major sectors, fuel and power gained 1.4 percent in market cap, followed by engineering 1.1 percent and banks 1 percent. Conversely, telecom was the only losing sector that declined 1.2 percent.

Confidence Cement was the day's best performer, advancing by 9.95 percent, while Mercantile Bank was the worst loser, slumping by 7.89 percent.

Chittagong stocks also rose yesterday with the bourse's benchmark index, CSCX, gaining 56.69 points to 7,717.33.

scrips advanced and 78 declined

crore shares and mutual fund units worth Tk 47.62 crore in turnover.

Gainers beat the losers 189 to 90, with 30 securities remaining

Gainers beat the losers as 136

while 24 closed unchanged on the Chittagong Stock Exchange. The port city bourse traded 1.96

Faridpur Diabetic Association and Dutch-Bangla Bank for financial support to meet up the cost of construction floors (11th to 15th floor) of the Diabetic Association ilding at Jhiltuly, Faridpur

FARIDPUR DIABETIC ASSOCIATION

Mir Nasir Hossain, president of Faridpur Diabetic Association, and KS Tabrez, managing director of Dutch-Bangla Bank, exchange documents of an agreement at the bank's head office in Dhaka recently. The bank will donate Tk 10 crore to the association for construction of five floors of the Diabetic Association Medical College and Hospital building at Jhiltuly, Faridpur.

A2I signs deal with Telenor

It will also enable public and private services to become more accessible for people in remote and difficult to reach areas, said Grameenphone, majority of whom is owned by Telenor Group, in a statement.

Anir Chowdhury, policy adviser of the A2I, said the agreement is another step forward towards a Digital Bangladesh.

"While we have made strong advances over the years, our new partnership with organisations like Telenor Digital means that we can tap into their vast digital experience and collaborate on social empowerment initiatives."

officer of Telenor Digital, said they are pleased to be working with the government generation communication services.

in Bangladesh to develop digital and mobile technologies that can contribute to the further enhancement of Bangladesh society.

The initiative aims to create digital and mobile tools that provide citizens with information, content and support and help them make better choices in daily lives.

Under the agreement, projects will also be initiated to leverage data and insights to identify key social requirements, unmet citizen needs and gaps in service delivery, said the GP statement. The MoU will be effective from May 7, 2015 to May 6, 2018 in the initial phase.

As the home of Telenor's high-tech devel-Henrik Clausen, acting chief executive opment house, Telenor Digital creates globally scalable solutions within next-

Ctg businesses want allocation to recoup losses

proposals would be considered in the upcoming budget.

Chittagong Chamber of Commerce and Industry (CCCI) organised the meeting with its president Mahbubul Alam in the chair at the chamber's office in Chittagong.

The chamber sent 143 proposals to the NBR, including increasing the tax-free income limit for individuals from Tk 2.2 lakh to Tk 2.75 lakh, dropping the current rate of VAT from 15 percent to 7.5 percent, making BSTI certificates mandatory in the import of goods produced in the country to protect domestic industry, said Alam.

Nasir Uddin Ahmed Chowdhury, first In his speech, Rahman assured that the vice president of Bangladesh Garment Manufacturers and Exporters Association, said value added taxes are being imposed on the import of equipment to make the factories compliant, although these are free of tax.

In response to all the proposals, Rahman of NBR said the government wants to present a budget to help the business sector.

Rahman also joined separate prebudget meetings with leaders of Chittagong Metropolitan Chamber of Commerce and Industry and Chittagong Customs Clearing and Forwarding Agents Association in the afternoon.

Emirates profits surge 40pc

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Emirates Hotel's revenue was up by 23 percent to \$180 million.

The airline, which owns the world's largest fleets of Airbus A380s and Boeing 777s, operates a fleet of 219 passenger aircrafts and 14 freighters, serving 144 destinations in 81 countries.

DNATA, another subsidiary of the group, made a profit of \$247 million, the highest in 56 years.

DNATA is also one of the largest suppliers of combined air services in the world offering aircraft ground handling, cargo, travel and flight catering services.

Emirates Group recorded profit for the 27th consecutive year in 2014-15, posting

a gain of \$1.5 billion, 34 percent higher than the previous year and the second highest in the Group's history.

"Achieving our 27th consecutive year of profit is testimony to the strength of our brands and business fundamentals, as well as the dedication and talent of our workforce," said Maktoum.

The Group earned revenues of \$26.3 billion, 10 percent higher than the previous year. During the year, it made new investments amounting \$5.5 billion.

During the last year, the Group's employee base across its subsidiaries and companies increased by 11 percent to over 84,000-strong, representing over 160 different nationalities.



HT Imam, an adviser to the prime minister, hands over the Centre for NRB's appreciation award for outstanding contribution to the remittance sector of Bangladesh to Moshiur Rahman Chowdhury, deputy managing director of AB Bank, at a function held in the city recently. Gowher Rizvi, an adviser to the prime minister, was also present.



Shahidul Islam, director of Uttaran, and Ruhi M Ahmed, head of corporate social responsibility, public relations and communications at BSRM, sign documents of an agreement at a programme in Dhaka yesterday for installation of deep tube-wells to ensure safe drinking water for the people of disaster-prone areas in 10 upazilas of Barisal, Patuakhali, Barguna and Bhola districts.

Yunus Centre's response to news reports about comments reportedly made by Prime Minister about Prof Yunus

Prof Yunus has dedicated his life to creating institutions that work for the people of Bangladesh. His work and contributions have been recognised throughout the world through the award of Nobel Peace Prize and many other prizes. He has always promoted Bangladesh and its successes and has helped put Bangladesh on the map as a model for development and poverty reduction. To state that he is harmful to the nation is very unfortunate.

All the remarks attributed to Honourable Prime Minister in the media came during the presentation of the Implementation Monitoring and Evaluation Division on Grameen Fisheries & Livestock Foundation. The presentation concluded that the organisation's "methods had failed to help the poor".

Yunus Centre: The conclusion of the IMED report on Grameen Fisheries programmes is totally unfounded. Grameen Fisheries leased ponds to develop fisheries from the government in 1986 for a period of 25 years, before handing them back to government in 2010. During the time of its management, Grameen Fisheries developed derelict ponds and water bodies into fisheries increasing the number of ponds under fish culture from 339 to 615, and fish production from 46 tonnes to 20,400 tonnes, by the time the project was handed back to the government. Income from the sale of fish went up from Tk 12.87 lakh to more than Tk 70 crores, by the time of hand-over back to the government. This was well run and highly successful project, whose future became uncertain after the ponds were returned to the government in 2011, on expiry of the lease agreement.

Prime Minister: Grameenphone (GP) was supposed to be a joint venture between Grameen Bank and Grameenphone. Dr Yunus sold share of Grameenphone.

Yunus Centre: GP is in fact a joint venture company. One of the owners of GP is Norwegian company Telenor which is owned by the Norwegian government. The second owner of GP is Grameen Telecom which is a non-profit company registered under section 28 of the Company's Act and has no private owner. The other owners of GP are the numerous investors and shareholders of Bangladesh who continually trade its shares in the stockmarket. Prof Yunus never owned any share in the past, nor does he own any share now, of GP. Therefore the question of his selling any share does not arise. Grameen Bank did not own any share of GP at any time. So the question of Grameen Bank selling shares of GP does not arise. Grameen Telecom did not sell any of its shares except in case of selling shares to general public as agreed by all partners of

Pay Phone programme to give poor women entrepreneurs the opportunity to ers. sell phone services in the village. Hundreds of thousands of women are engaged in this programme and make good income from the programme. Because of the path-breaking work of GP, telephone services today are so affordable. A mobile phone is now within the reach of most people in Bangladesh even in the remotest areas.

Profits from GP that come to Grameen Telecom, a non-profit company, are used for projects that support the welfare of the

common people of the country.

Prime Minister: Poor people are getting stuck in microcredit system's trap. It charges high interest rates. Its dominant approach is commercial. Grameen Bank's 54 associated companies and organisations bearing the Grameen name paint the picture of how the poor are getting caught in the debt trap.

Yunus Centre: Grameen Bank and programmes similar to it operate all over Bangladesh. The model is replicated around the world and many impact studies have shown that microcredit provides opportunities for poor people to improve their lives through loans that do not require collateral, where regular banks do not provide access to finance to the poor. Of all microcredit organisations' operating in Bangladesh, governmental or nongovernmental, Grameen Bank's interest rate is the lowest. "Microcredit trap" does not exist in Grameen Bank. Its borrowers around the country highly value the service provided to them.

Grameen Bank is overwhelmingly is no scope for the bank to harm its own- gations.

Grameen Bank disbursed Tk 1.1 trillion since its inception. In April 2014 to March 2015, Grameen Bank disbursed Tk 13,670 crore to borrowers as loan. Total savings of all the borrowers together in Grameen Bank was Tk 10,595 crore as of March 2015 while outstanding loan on the same date was Tk 9,025 crore. Borrower's money in the bank exceeded the amount they owed to the bank. Not many banks can claim such a record.

According to one major daily,

Honourable PM is quoted giving example of a woman she knew who borrowed Tk 5,000 but was asked to pay Tk 16,000. This is not possible in Grameen Bank as the bank's rules do not allow the total interest to exceed the total principal under any circumstances. On death of a borrower, all outstanding loans are written off. Grameen Bank offers pension fund, educational loans for children and helps during the time of disaster etc. Moreover, as shareholders they receive dividends from the profit of the bank every year since 2006.

The 54 companies that Honourable PM has referred to are independent companies with independent financing. None of the companies have any investment from Grameen Bank so they cannot be called Grameen Bank's companies. These organisations do not operate microcredit programmes, so it is not clear why looking at these companies would indicate how poor people "remain trapped in".

It is shocking that Honourable PM is quoted to have made allegations of such a deeply serious nature about a reputed owned (75 percent) by borrowers. They person such as Prof Yunus without pre-Grameen Telecom operates the Village are majority members of the board. There senting any proof against any of the alle-

There are important implications of Honourable Prime Minister's comments for the country and personally for Prof Yunus. They create wrong impressions in the minds of people within and outside the country. We have responded to all of these allegations and issues elaborately before. Media has carried all our responses in details. We are sorry that the same allegations keep on surfacing without any reference to our responses. We are bringing out the facts once again to set the records straight.

GP to focus more on mobile financial services Apart from serving Grameenphone, Accenture will also provide its

services to other companies of the Telenor Group in Asia. Telenor, which owns a 55.8 percent stake in Grameenphone,

is enthusiastic about the company's role in Bangladesh's next phase of telecommunications, he said. Baksaas believes through this summit, the world market can see very strong growth potential here.

On the government's Vision 2021, he said lots of digital services will come by that time; customers will get more bandwidth on their devices and the prices of gadgets will come down as well.

Now, the government should provide incentives for innovation, which can lead the country to a digital services revolution, he said. "And through this process, the whole nation can be benefitted," said Baksaas, who has been with Telenor since 1989.

Terming it as a mature market, Baksaas said Bangladesh is riding a strong wave; there is national coverage here, and more than 120 million active SIMs are in the market. "A predictable and consistent regulatory framework is needed

for sustainable growth. But here we found deviations on some things, particularly on the SIM replacement tax issue. This is a fundamental issue now as the new spectrum auction is coming," said Baksaas. In an upcoming auction in the 1,800 band, operators with

bandwidth exceeding 20 MHz will not be allowed to participate; however, Grameenphone is the only operator with that capacity. "As a long-term investor, we don't ask for incentives, ratherwe ask for a level playing field," he said.

ADP size may rise 24pc in next budget

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Of the amount, the highest allocation of Tk 20,235 crore will go to the transport sector, of which, the bridges division alone will get Tk 9,000 crore.

The planning ministry official said the Padma bridge got more than Tk 8,100 allocation in the current fiscal year, but about Tk 2,000 crore would remain unspent.

The official said work on the Padma bridge has begun in full swing now. As a result, nearly Tk 8,000 crore may be allocated for the bridge in the next fiscal year. The power sector will get the second highest allocation of Tk 15,485 crore, followed by physical infrastructure sector Tk 10,458 crore, education Tk 10,039 crore, rural infrastructure Tk 8,433 crore, health Tk 6,081 crore and agriculture Tk 4,690 crore.

Tax cuts to boost digital yields

FROM PAGE B1 Speaking at the discussion, Sunil Kanti Bose, chairman of

Bangladesh Telecommunication Regulatory Commission, poured cold water on the demands of the mobile phone operators, as he ruled out the possibility of any abrupt changes to the tax policy in near future. He also said the telecom taxation in Bangladesh is still

much better than that of many others countries. Bose added that the taxation policy for the telecom sector

in Bangladesh is gradually improving. The mobile phone industry invested more than Tk 84,000 crore in the last 17 years, according to data from the

AMTOB, the operators' lobbying group. Telecom operators are also expecting a robust growth in data services in the coming days.

The country will see a huge demand in internet-based services relating to the education, health and agriculture sectors, said Rajeev Sethi, chief executive officer of Grameenphone.

He also talked about what the public and private sectors can do to bring about a faster Digital Bangladesh. "The future of telecommunication and the national

development in Bangladesh is interlinked as one can drive the other.' Referring to various global examples, Sethi said the universal data access through mobile networks has opened up

avenues for public service deliveries and data collection at incredibly low costs and with an equally incredible inclusive reach. He called for developing local contents to get the real

benefit from internet. Shihab Ahmad, chief commercial officer of Banglalink, said mobile phone-based agricultural information service introduced by his company is contributing significantly to

rural farming. Internet use in Bangladesh has been increasing rapidly over the last several years, said Sami Kizilbash, an official of South Asia Emerging Markets at Google.

Citing a study by TNS, a leading market research and market information group, he said, of the total internet users in Bangladesh, 81 percent joined in the last five years.

About 82 percent internet subscribers use internet for social networking followed by 48 percent for news, sports and weather updates, Kizilbash added.

The first of its kind in Bangladesh, the summit was organised by Telenor Group, the majority shareholder of Grameenphone, Accenture, a technology and service outsourcing company, and Bangladesh Association of Software and Information Services.