ASIAN MARKETS

TOKYO

2.88%

1.23%

MUMBAI

\$61.89

V 0.60%



DHAKA TUESDAY JUNE 30, 2015

COMMODITIES

\$1,176.90

Banks baffled by BB rewards for good borrowers

The clients are already getting benefits

SAJJADUR RAHMAN

STOCKS

0.72%

DSEX

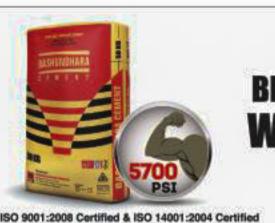
................. Banks have been puzzled by a central bank directive that asked them to incentivise good borrowers with a 10 percent rebate on the interest against their loan accounts.

Bankers said good borrowers are already getting low interest rates amid growing competition among the banks. High-quality customers also enjoy privileges while paying letter of credit commission, foreign currency buying charges and other fees, they said.

"Now we will have to give the good borrowers further benefits as per the Bangladesh Bank instruction," said Shafiqul Alam, managing director of Jamuna Bank, terming the order 'illogical'.

MA Halim Chowdhury, managing director of Pubali Bank, also echoed the same. "When the lending rate was 15 percent, a good borrower used to get loans at 13 percent, and now at 11 percent or less depending on the clients," Chowdhury said.

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BEST RAW MATERIALS ENSURE WORLD-CLASS QUALITY



No VAT on e-commerce

STAR BUSINESS REPORT

The government has decided not to impose a 4 percent valueadded tax on ecommerce as proposed in the budget for the next fiscal year, considering the fledgling state of the sector.

The government also reduced the supplementary duty on internet use to 2 percent from the proposed 5 percent.

"Taking into consideration the early stage of internet and ecommerce in the country I have come to this decision," Finance Minister AMA Muhith said in his wrap-up speech on fiscal 2015-16's budget in parliament yesterday.

The 5 percent supplementary duty on voice and SMS services will remain.

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Muhith forecasts an end to 6pc growth trap next year

STAR BUSINESS REPORT

CURRENCIES

BUY TK 77.20

SHANGHAI

3.29%

................ Bangladesh will come out of the 6 percent GDP growth trap next fiscal year as the prevailing political stability looks set to continue, Finance Minister AMA Muhith said yesterday.

The economic growth target of 7 percent for fiscal 2015-16 will be achieved, Muhith said in his wrap-up speech on the 14. budget in parliament.

The different international organisa-

tions, including the World Bank, have been stressing just one obstacle to achieving the targeted GDP growth: political instability. "I think it will not be entirely unreason-

stability will continue, as good sense will prevail among the related parties for the greater welfare of the country." "So achieving 7 percent growth is not an impossible or unrealistic dream for

able to hope that the current political

Bangladesh." The growing rural economy, the remittance inflow and the increased income of the middle-class as a result of the new pay

scale will create more demand for domestic economy, Muhith said.

Besides, there is a positive outlook in the external sector, so the targeted GDP can be achieved, he said.

About criticisms regarding the budget size, which many deem to be too ambitious, he said the national outlay increased fourfold between fiscal 2008-09 and 2013-

In keeping with the trend, the budget for fiscal 2015-16 was increased.

The government managed to implement 91 percent of the budget on average from fiscal 2008-09 to fiscal 2013-14, according to the finance minister. Earlier, the implementation was 80 to 85 percent.

But this year and the next, the implementation will be more than 95 percent, Muhith said.

Various steps have been taken to effectively implement the annual development programme, as a result of which the government will succeed in implementing the Tk 100,000 crore ADP taken for next fiscal year.

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VAT exemption to expand for businesses

STAR BUSINESS REPORT

Businesses with annual turnover of up to Tk 30 lakh are likely to be excused from paying valueadded tax, after the government caved in to their demands and raised the exemption ceiling from Tk 24 lakh.

the new Value Added Tax and Supplementary Duty Act, which will take effect in July 2016. The decision came at the

The provision is part of

weekly meeting of the cabinet yesterday.

Also, some new commodities, deemed to be basic needs, were included in the list of items enjoying VAT exemption.

The items are: mustard oil, sugar, molasses prepared from sugar cane, fertilisers, lifesaving drugs, kidney dialysis solution, contraceptives and first-aid kit.

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German inflation slows in June

AFP, Frankfurt

Inflation in Germany, Europe's biggest economy, slowed noticeably in June with consumer prices rising by just 0.3 percent year-on-year, preliminary data showed on Monday.

17.5 lakh new mobile internet users in May

STAR BUSINESS REPORT

Some 17.5 lakh people took up internet connections on their handsets in May to take the total number of active mobile internet subscribers to 4.59 crore

mobile internet subscriptions are fast increasing due to the

Like the other sectors, it too was struck by the political turmoil that prevailed in the first three months

ical turmoil is over, we can plan differently," said Ekram Kabir, vicepresident of Robi. The operator introduced free internet services in May and was met with positive response from

আমাদের আন্তরিক সেবা গ্রহনে

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পাঁচরুখী বাজার

আড়াইহাজার, নারায়ণগঞ্জ

২রা জুলাই ২০১৫

১৩ তম শাখা

কামারপাড়া

জমজম টাওয়ার

কামারপাড়া স্কুল রোড, ঢাকা

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