

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY
▲ 0.47%	▲ 0.63%	\$1,137.80	\$48.92	▼ 0.37%	▼ 2.10%	▼ 0.80%	▼ 1.70%	BUY TK 77.85	83.93	118.30	0.63
4,536.05	8,440.01	(per ounce)	(per barrel)	26,559.15	18,683.24	2,974.41	3,325.08	SELL TK 78.85	87.93	122.30	0.66

এসআইবিএল রিটেইল ব্যাংকিং
জীবনের জন্য, জীবন যাপনের জন্য

এসআইবিএল ইসলামিক কনজুমার ফাইন্যান্স
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* ফ্রি অনলাইন সেবা
যে কোন প্রয়োজনে ০৯৬৬২০০৯৯২২



Star BUSINESS

DHAKA TUESDAY NOVEMBER 3, 2015

IMF to check updates on BASIC Bank

SAJJADUR RAHMAN

Troubled BASIC Bank will figure prominently in discussion during the upcoming visit of a delegation of the International Monetary Fund, central bank officials said.

The IMF team will also discuss other issues such as performance of the banking sector and soundness indicators, the overall situation of state-owned banks, recapitalisation, and medium term reform plans on non-performing loans (NPLs).

Rodrigo Cubero, deputy division chief of IMF's Asia and Pacific Department, will lead the mission that will arrive in Dhaka tomorrow on a two-week visit.

The IMF team will also discuss the exchange rate and balance of payments situation, but their focus will be on the indicators of the state-owned banks, the Bangladesh Bank officials said.

"We have sought details from BASIC Bank so that we can present those before the IMF team," a BB official from the department of off-site supervision said yesterday.

Recapitalisation, NPL and loan recovery efforts of BASIC are the key issues that the IMF wants to know about, the official added.

According to BASIC Bank officials, the previous board of the bank, led by Sheikh Abdul Hye Bacchu, had lent around Tk 5,500 crore between 2009 and 2013.

Of the loans, around Tk 4,500 crore has become NPL, turning the bank into a capital-deficit lender. BASIC Bank is now in great trouble as it cannot lend for want of money.

BB has also sought information from state-owned Sonali, Janata, Agrani and Rupali banks.

"We are analysing the data of these banks," said an official of BB's financial stability department.

The NPL of Sonali, Janata, Agrani and Rupali banks stands at more than 20 percent of their total loans as of June this year, against the industry average of around 10 percent.

Sonali's NPL tops the list with more than 24 percent.

READ MORE ON B3

Aman output to be lower this time

PRODUCTION AT A GLANCE

Aman production would be **19.6m** tonnes this season

Output may fall **1%** year-on-year, FAO says

Cyclone Komen and floods caused damage to aman crops

Aman accounts for **38%** of total rice output of **34.7m** tonnes

Total paddy production is likely to be **51.9m** tonnes this year



SOHEL PARVEZ

Paddy output in the current aman season is likely to be lower for flood-induced crop damage and area contraction for low domestic price, according to the United Nations' Food and Agriculture Organisation.

During the aman season, rice (paddy) production would be about 19.6 million tonnes (13 million tonnes in husked rice), down 1 percent year-on-year, the FAO said in its food and agriculture country brief on Bangladesh last week.

While widespread abundant rains during the harvesting season were beneficial to crop development, the passage of cyclone Komen on July 30 triggered some localised floods across southeastern parts of the country, causing minor damage to crops, it said.

Furthermore, flood from monsoon rains towards the end of August also damaged crops, mainly aman, in 29 districts, according to a previous estimate by the Department of Agricultural Extension.

The FAO said increased yields are expected to partially offset a 2 percent contraction in acreage in response to low domestic prices at sowing time. It, however, did not state this season's plantation area.

The UN agency's forecast comes as farmers are set to start harvesting paddy from the current aman season, which accounts for nearly 38 percent of the total annual rice production of 34.7 million tonnes.

However, the DAE estimates that production will rise if farmers can bag safe harvest without facing any natural calamity this month and the next, according to its Director General Md Hamidur Rahman.

This year, aman has been planted on 5.36 million hectares of land, up from the DAE's target of 5.26 million hectares, according to data from the agriculture ministry.

"We expect production to rise, because acreage of high-yielding and hybrid varieties of rice has increased this season," Rahman said.

In 2014, Bangladesh bagged 13.19 million tonnes of husked aman rice from 5.53 million hectares, according to the Bangladesh Bureau of Statistics.

Despite the possibility of a drop in aman output, total rice (paddy) production is likely to be 51.9 million tonnes, which is close to 2014's record level, because of higher boro output, the FAO said.

Remittance falls 19pc in Oct

STAR BUSINESS REPORT

The inflow of remittances fell about 19 percent to \$1.09 billion in October from the previous month, Bangladesh Bank (BB) data shows.

However, remittances grew 6.83 percent year-on-year in October. BB data shows the inflow of remittances stood at over \$5.02 billion in the July-October period, down by just \$7 million from the corresponding period a year ago.

The central bank expects remittances to grow this fiscal year, riding on increased manpower exports.

During July-August period of the current year, the number of Bangladeshis going abroad for jobs increased by 22,737 or over 36 percent compared to the same period in the previous year.

Migrant workers remitted over \$15.31 billion in fiscal 2014-15, up from \$14.23 billion a year ago.

Remittance, sent by more than eight million migrant workers abroad, plays a critical role in the economy, helping reduce the overall incidence of poverty and maintaining a healthy balance of payments.

Govt staff to own flats in five years

REJAUL KARIM BYRON

The government staff in Dhaka and other cities may own flats of 800 to 1,500 square feet (sft) in five years as per a housing scheme in the works.

The concept paper of the housing project, which was taken up to attract meritorious individuals to government jobs and uphold their morale, was presented to Finance Minister AMA Muhiht yesterday at his secretariat office by Prime Minister's Principal Secretary Abul Kalam Azad.

At present, many government employees take to corruption out of uncertainty over their jobs; if they were given housing facility they would not resort to unlawful activity.

The scheme has already been presented before Prime Minister Sheikh Hasina, who instructed quick implementation of the project, said a finance ministry official quoting Azad. Subsequently, at the meeting, Muhiht asked Rajuk to prepare a guideline for the housing project.

Initially, 1,200 flats will be constructed in 14-storey buildings on government land at Mirpur Sector 9, according to the concept paper. The project will later be taken to Purbachal or other areas such that all public servants in Dhaka can own flats.

Two 14-storey buildings will be constructed in each divisional city, outside Dhaka.

Civil servants of grade 16 to grade 10 will each get an 800sft flat. Grade 9 staff will be given 1,250sft flats and those between grade 8 and grade 3 will get 1,500sft flats.

Apartments will cost Tk 4,500 per square foot, but the rate may be lower for the flats outside Dhaka.

The staff can pay off the amount for the flats over 30 years with the house rent portion of their salaries.

If there are amounts pending after 30 years, they will be deducted from the pension, or cleared off through low interest loans.

A separate bank, named Samridhdhir Sopan, will be set up for government employees, from which they can take loans at low interest rate.

Rajuk will implement the scheme, and those whose services have been confirmed will qualify for flats.

Meanwhile, the national pay commission led by former central bank governor Mohammad Farashuddin also recommended a scheme of this nature, and it was endorsed by the cabinet when the new pay-scale was approved.

68pc of stockmarket fund disbursed

SARWAR A CHOWDHURY

The government has disbursed about 68 percent of its Tk 900-crore refinancing scheme among stockmarket investors affected by the 2011 market crash.

As much as Tk 616 crore has been disbursed among 24,320 investors through 43 merchant banks and stockbrokers, said Saifur Rahman, convener of the scheme's surveillance committee, adding that documentation for another Tk 19.91 crore for 637 investors has also been completed.

As of October 26, the scheme's manager, the Investment Corporation of Bangladesh or ICB, has sanctioned another Tk 30.58 crore for 842 retail investors, to be disbursed through six merchant banks and stockbrokers.

"We are continuing our efforts to disburse the total amount so that the affected investors can be benefited," said Rahman, also an executive director of Bangladesh Securities and Exchange Commission.

Meanwhile, the recovery rate has been impressive, with hardly any incidence of failure, he said.

To date, the ICB has realised Tk 208.68 crore in instalments from investors who took credit from the scheme through 29 merchant banks and stockbrokers, according to Rahman.

Approved in August 2013 in line with a government compensation package announced in March 2012, the scheme is open to retail investors whose stockmarket exposure was lower than Tk 10 lakh between January 2009 and November 2011.

Bangladesh Bank disburses the amount, in three instalments, at 5 percent interest to the ICB, who then lends it to merchant banks and stockbrokers at 7 percent.

The merchant banks and the stockbrokers then disburse the fund to retail investors at 9 percent interest rate, according to the guideline of the refinancing scheme.

The borrowers will have to repay the loans every three months and should give corporate guarantee against the loans to the ICB, who will deposit the received amount to the refinancing fund.

The regulator has the authority to cancel licences of merchant banks and stockbrokers if they fail to repay the loans in time, according to the guideline.

A surveillance panel, comprising representatives from the central bank, BSEC and the ICB, is responsible for monitoring the scheme's operations and submitting a report to the finance ministry every quarter.



Winners pose at the BASIS Outsourcing Award ceremony at the Institute of Diploma Engineers auditorium in Dhaka yesterday.

BASIS honours 100 heroes for excellence in outsourcing

STAR BUSINESS REPORT

College graduate Kowser Ahmed began his outsourcing business with just one laptop and an internet modem three years ago. He was a call centre executive in Dhaka at the time.

The 27-year-old is now the owner of two leading outsourcing companies in Bangladesh, with an annual net income of about \$450,000.

Both companies -- bVcreatives Ltd and Vivid Technologies -- received the BASIS Outsourcing Awards in the organisation category yesterday.

Bangladesh Association of Software and Information Services or BASIS yesterday honoured 13 other companies as well for their performance in the IT outsourcing sector.

"I maintain an office in the US but work orders mainly come from Canada, the UK, the US and Germany," said Ahmed.

Ahmed employs about 200 people in his two companies -- one is dedicated to software issues and the other to graphic designing.

BASIS also recognised a total of 100 individuals and companies at the fifth BASIS outsourcing awards at the Institute of Diploma Engineers' auditorium in Dhaka. The awards were launched in 2011.

State Minister for Finance and Planning MA Mannan handed over the awards while Education Secretary Md Nazrul Islam Khan was the special guest.

BASIS is awarding IT professionals who bring in valuable foreign currency with their incredible skills in online outsourcing. The winners are selected through a series of screening processes and interviews, according to BASIS.

Export value, employment and their contribution in social development are taken into account while selecting the winners, said BASIS President Shameem Ahsan.

The government is working hard to create 3.6 million new jobs by 2020 and here, outsourcing can be a big part of that, said the planning minister.

"IT-related jobs will contribute a great extent to meeting our target and these award winners will lead Bangladesh," Mannan added.

BASIS also awarded three women for their contribution in the IT sector, one of whom is Sandhya Roy.

READ MORE ON B3

Telcos sign deals to access NID database today

STAR BUSINESS REPORT

Telecom operators will sign deals with the Election Commission today to get access to the national identification database to introduce biometric registration system for new SIM cards.

"The deadline for introducing the biometric registration system with fingerprints is November 16," said Mahmud Hossain, chief corporate affairs officer of Grameenphone.

After November 16, no SIM cards will be sold without the biometric process to be followed, he said. "We hope we will be able to complete installing the necessary devices for the process before the deadline."

The telecom operators will now have to re-register 13.14 crore active SIM cards, which will start on December 16.

The telecom division wants to complete the re-registration and verification by March 31 next year.

Operators will be charged Tk 2 for every single access to the national database for verification.

The telecom companies are investing around Tk 500 crore for the introduction of the biometric system.

Visa to buy Visa Europe in deal worth up to 21.2b euros

REUTERS

Visa Inc said on Monday it would acquire former subsidiary Visa Europe for 16.5 billion euros (\$18.19 billion), with the potential for an additional payment of up to 4.7 billion euros.

The upfront payment comprises 11.5 billion euros in cash and preferred stock convertible into Visa Inc class A common stock valued at 5 billion euros.

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