

Dragon Sweater gets go-ahead for IPO

STAR BUSINESS REPORT

Bangladesh Securities and Exchange Commission yesterday gave a green light to Dragon Sweater and Spinning to raise Tk 40 crore from the public.

The export-oriented spinning and sweater manufacturing company plans to float four crore ordinary shares of Tk 10 each.

Swadesh Investment Management will manage the initial public offering, the proceeds of which would be used to purchase machinery and spare parts, and meet working capital.

The last five years' weighted average earnings per share of the company stood at Tk 1.33 and net asset value per share at Tk 18.79. The approval came at a meeting presided over by BSEC Chairman Khairul Hossain, the commission said in a statement.

Presently, 42 companies are listed under the textile sector that accounts for around 4 percent of Dhaka Stock Exchange's total market capitalisation.

Dragon Sweater supplies to global brands such as Walmart, K-Mart,

Macy's, C&A, Zara and Primark, according to the company's website.

The stockmarket regulator also gave a go-ahead to Acme Laboratories, a pharmaceutical company, to determine its IPO price through institutional bidding using the book-building method.

Book-building is a process through which an issuer attempts to determine the price to offer for its security by gauging the demand from institutional investors.

Institutional bidding is a must to determine the indicative prices of each share before the IPO.

Acme will offload five crore ordinary shares of Tk 10 each through book-building and the raised funds will be used for setting up three new plants in Savar.

The company's earnings per share, as of June 2014, stood at Tk 5.65 and net asset value per share at Tk 66.16.

It is the third firm that is using the book-building system after the stockmarket regulator modified the pricing rules. ICB Capital

Management is the issue manager.

At yesterday's meeting, the BSEC also approved a Tk 10-crore open-end mutual fund, which will be managed by Peninsula Asset Management Company.

Bangladesh Development Bank—the sponsor of the fund styled Peninsula AMCL BDBL Unit Fund One—will contribute Tk 2 crore to the fund, while the rest will be raised from the public. An open-end mutual fund is a professionally managed collective investment scheme that has an unlimited lifetime and size.

The fund manager pools money from many investors through sales agents and invests in stocks, bonds and short-term money market instruments and pays out dividends to the unit holders annually.

The regulator also approved the draft of the amendment to public issue rules and mutual fund rules that will be posted on the commission's website, and published in national dailies for public opinion before finalisation.

Workshop on SDGs held

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A three-day inter-ministerial consultation workshop on integration of the sustainable development goals into the seventh five-year plan concluded in Cox's Bazar yesterday.

The General Economics Division in collaboration with the Support to Sustainable and Inclusive Planning project organised the programme, attended by 70 participants from 35 ministries, divisions and the United Nations Development Programme, according to a statement from the UNDP.

Speaking on the concluding ses-

sion, GED Member Prof Shamsul Alam said the ultimate goal of the SDGs and the seventh five-year plan is to eliminate extreme poverty.

He hoped the workshop would enhance the knowledge of government officials for better monitoring of the SDGs in the coming days.

The main purpose of the workshop was to compare the development targets of the five-year plan with the indicators and targets of the SDGs, identify gaps and recommend strategies in aligning the national plan with the 2030 Global Agenda.

The UNDP-supported SSIP project has extensively contributed to the

GED's efforts in preparing the plan and the country's proposal on the SDGs to the UN. It is also committed to providing support to develop the national rollout plan for the SDGs in coordination with the government.

Pauline Tamesis, country director of the UNDP; Prof Wahiduddin Mahmud, chairman of the panel of economists for the seventh five-year plan; Mohammad Mejbahuddin, senior secretary of the Economic Relations Division; Binayak Sen, research director of the Bangladesh Institute of Development Studies; and Naquib Bin Mahbub, chief of the GED, also spoke in different sessions.

Hans-Joachim Fuchtel, parliamentary state secretary to the Federal Minister for Economic Cooperation and Development of Germany, poses at the launch of DBL Group's sustainability report for 2014-15 in Berlin, Germany. Mohammed Abdul Jabbar, managing director of DBL Group, was also present.



DBL GROUP



Bankers from Bangladesh and Myanmar and SME participants from the two countries and Bhutan, Cambodia, France, India, Lao PDR, Sri Lanka, USA, Hong Kong, Thailand, China, Jakarta, Indonesia, Singapore and Cambodia, pose at an ICC workshop on international trade finance, logistics and business development. The event concluded in Yangon on November 29.

WB chief economist arrives in Dhaka

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World Bank Chief Economist Kaushik Basu arrived in Dhaka yesterday at the invitation of Bangladesh Bank.

Basu will give a public lecture on the challenges and prospect of the world economy, Bangladesh and regional cooperation, at Bangabandhu International Conference Centre on December 13, Bangladesh Bank Chief Economist Biru Paksha Paul said at a media briefing yesterday.

Prior to his current posting, Basu served as the chief economic adviser to the government of India and is currently on leave from Cornell University where he is a professor of economics.

His contributions span develop-



Basu's research interests include industrial economics, welfare economics, industrial organisation and game theory.

In addition to Cornell, he has taught at the Delhi School of Economics, Harvard, Princeton and the MIT. He has published widely, including more than 160 papers in refereed journals and scholarly volumes.

Basu, also the senior vice president for development economics of the Washington-based lender, has written several books, including "Beyond the invisible hand: groundwork for a new economics" and "An economist in the real world: the art of policymaking in India".

He holds a PhD in economics from the London School of Economics. He is the second WB chief economist from a developing country and the first from India, according to the WB's website.

Tenure of Alliance, Accord won't be extended: Tofail

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Following the Tazreen Fashions fire and Rana Plaza building collapse, international retailers who source from Bangladesh formed the Accord and Alliance to ensure electrical, fire and structural safety in garment factories.

The tenure of Accord, a platform of mainly European retailers, and Alliance, another platform of North American brands, will come to an end in July 2018.

Both the agencies have already completed preliminary inspections of more than 2,000 garment factories across the country and are now monitoring the progress of the corrective action plans.

Bangladesh gives a lot of importance to workplace safety, the minister said, citing the withdrawal of duty on imports of safety equipment

and pre-fabricated buildings following the twin industrial disasters.

The items were subjected to 62 percent import duty previously.

But unfortunately, little incidents of Bangladesh are highlighted all over the world, he said.

Sometimes, some quarters criticise Bangladesh even for arresting criminals, showing the excuse of human rights violation. In some countries, the argument of human rights is not put forward even in incidents of mass killing.

"Initially, I was also irritated with the presence of Accord and Alliance in Bangladesh. But after the completion of the preliminary inspections I am very happy, as they found that less than 2 percent of the factories are risky."

"Now, we can say that most of our factories are compliant," the

minister added.

Pakistan, Cambodia and Vietnam, among others, are taking lessons from Bangladesh on how to improve workplace safety, said Ian Spaulding, chief executive officer of Elevate, the organising company of the expo.

Some factories have already improved their structural, electrical and fire safety considerably and are now getting more work orders from the international retailers, he said.

"But, many factories, especially the small and medium ones, are not improving well and one day they might not go with us."

Previously, some companies imported fire doors but they did not know how to install them.

"This is why we started organising the expo so that people can know the installation of equipment

from experts," he added.

Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association, urged the government to arrange low-cost funds from the banking system for factory remediation.

Mesbah Rabin, managing director of Alliance, said the duty-waiver by the government helped reduce the prices of safety equipment in Bangladesh.

So far, 18 garment factories have completed remediation successfully and are doing well in terms of work orders from international garment buyers, he said.

More than 30 companies and organisations are displaying products and services at the show at Bangabandhu International Conference Centre; 13 of the participants came from abroad.

Business process outsourcing summit begins tomorrow

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Prime Minister's ICT Affairs Adviser Sajeeb Wazed Joy will open the event. At least four ministers will also attend the programme as discussants, the organisers said.

The country has been maintaining a three-digit growth rate in the last few years in BPO, earning more than \$130 million a year, Palak said.

"Our total earnings from the ICT sector are not less than \$250 million as a lot of earnings bypass the banking channels."

India is currently the market leader in BPO, earning \$80 billion a year, while the Philippines earns \$16 billion and Sri Lanka \$2 billion, Palak said.

India started its journey in the field of BPO 20 years back, he said. "We have just

started and we can get a good response if we can continue our journey."

BPO services cost 30 percent to 40 percent less in Bangladesh compared to the neighbouring countries, said Ahmadul Hoq Bobby, president of the association of call centre and outsourcing.

Around 25,000 young people are currently working in the sector and it can add another 50,000 jobs if the government creates some opportunities, he said.

Organisers are expecting 10,000 visitors at the event and they will also offer jobs to 200 graduates. The summit will present success stories and show how this sector can impact the economy, Bobby said. "At the same time, we want this sector to be a source of employment for the youth."

Dhaka-Shanghai Ceramics faces tax evasion claim

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Dhaka-Shanghai Ceramics was founded by a group of BNP-linked politicians and businessmen after the BNP came to power in 2001. Mossadak Ali, an adviser to BNP Chairperson Khaleda Zia, became the chairman of the company in 2004, according to his personal website. Later in 2009, Ali and others sold out the majority of their shares to Beximco Ltd.

Ahsan Imam, managing director of Dhaka-Shanghai Ceramics, declined to comment on the tax evasion allegation, but acknowledged that Beximco Ltd now owns the majority of the shares of Dhaka-Shanghai Ceramics.

The Daily Star also contacted Salman F Rahman, vice-chairman of Beximco Group, about the tax evasion claim. "I am yet to know about it," he said.

Tax receipts rise 24pc

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However, it failed to reach its targets in the three fiscal years preceding fiscal 2014-15.

The most credit for the higher revenue income went to VAT, which posted a growth of 32.49 percent, thanks to stringent monitoring as well as success in recouping dues from companies. The Chittagong Commissionerate recorded 138.91 percent increase in VAT collection, while the Large Taxpayers Unit saw its collections rise 40.45 percent.

Incomes from the customs duties grew 26.72 percent and income taxes 10.77 percent. The NBR said the revenue generation from income taxes lagged behind the target in November as December is the month to deposit the instalment of the second quarter.

"So, revenue collection from income taxes will go up in December. As a result, the revenue income would exceed the target at the end of the fiscal year," it said.

The NBR recently signed an annual performance agreement with the government and adopted a string of strategies to help the government implement the budget. "The budgetary target on revenue will be reached as a result of these steps," said Rahman.

He said steps have been taken to realise about Tk 23,000 crore in dues from state-run Petrobangla and Bangladesh Petroleum Corporation.

Rahman also said there are about 24,000 court cases across the country involving Tk 31,000 crore. In coordination with the Attorney General's Office and the judiciary, measures have been taken for speedy resolution of these pending cases.

At the same time, steps have been taken to introduce alternate dispute resolution.

"These steps will help reach the revenue generation target at the end of the year, Rahman said.

PRICE SENSITIVE INFORMATION

AIMS FIRST GUARANTEED MUTUAL FUND

This is for information of all concerned that the Bangladesh Securities and Exchange Commission (BSEC) vide letter no. BSEC/MF&SPV/MF-02/2009/794 dated December 03, 2015, addressed to the Trustee, has directed to ensure the winding-up process of the subject Fund as per Rule 51-54 of the Securities and Exchange Commission (Mutual Fund) Rules, 2001 with immediate effect.

The subject Fund, tenure of which expired on June 30, 2015, is due to be delisted at close of business on December 31, 2015 consequent to the winding up process, as per decision of the 550th meeting of the Commission held on June 29, 2015.

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PRICE SENSITIVE INFORMATION

GRAMEEN ONE

The first Scheme of Grameen Mutual Fund One

This is for information of all concerned that Bangladesh Securities and Exchange Commission (BSEC) vide letter no. BSEC/MF&SPV/MF-02/2009/795 dated December 03, 2015, addressed to the Trustee, has directed to ensure the winding-up process of the subject Scheme as per Rule 51-54 of the Securities and Exchange Commission (Mutual Fund) Rules, 2001 with immediate effect.

The subject Scheme, tenure of which expired on June 30, 2015, is due to be delisted at close of business on December 31, 2015 consequent to the winding up process, as per decision of the 550th meeting of the Commission held on June 29, 2015.



Syed Moazem Hussain, a director of Pubali Bank, opens the bank's 437th branch, at Kamrangirchar in Dhaka. Md Abdul Halim Chowdhury, managing director, was also present.



Andrea Tomat, president of Lotto Italia, and Kazi Jamil Islam, managing director of Lotto Bangladesh, hand over the keys of a car to Abdul Motaleb, winner of a campaign of the company: Lotto Shopner Gari Jitun.