

COMMODITIES		ASIAN MARKETS				CURRENCIES					
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY
0.26%	0.49%	\$1,235.20 (per ounce)	\$34.03 (per barrel)	22,976.00	16,140.34	2,603.40	2,741.42	BUY TK 77.90	85.12	107.97	0.67
4,567.56	8,566.33							SELL TK 78.89	88.51	111.36	0.71

আপনার বিআরটিএ ফি এবং সকল ইউটিলিটি বিল এসআইবিএল এর যে কোন শাখার মাধ্যমে জমা দিন



\* ফ্রি অনলাইন সেবা  
যে কোন প্রয়োজনে ০৯৬৯২০০৯২২

# STAR BUSINESS

DHAKA FRIDAY FEBRUARY 26, 2016

## Regulator finds Agrani MD's links to Tk 792cr anomalies

**STAR BUSINESS REPORT**  
The managing director of Agrani Bank violated rules for loans amounting to Tk 792 crore, Bangladesh Bank finds in an inspection into the state bank. The BB last week served notice on Syed Abdul Hamid seeking explanations from him under the Banking Companies Act for nine counts of irregularities. The show-cause notice is a second instance of action against the managing director of a state bank. If his clarification is not satisfactory, the central bank can remove him from the post of managing director of the state-run bank, as per the amended law of 2013. Before the amendment, the central bank could not remove a chief executive of a state bank. The BB served such notice for

the first time on BASIC Bank's Managing Director Kazi Faqurul Islam, who was later removed. The move against Hamid comes after the central bank's inspections into Agrani's main branch and the Asadganj and Laldighi East branches in Chittagong established the allegations against him. The BB notice said Hamid approved loans for a select few clients by violating the directives of the central bank and the board of directors of Agrani. In 2011, a Tk 120 crore loan was extended to Tanaka Tradecom International from the bank's main branch. The loan was approved by Agrani's board with the condition that supplementary collateral must be kept as security with the bank. Tanaka Tradecom later proposed changes to the condition, which Hamid approved without

the consent of the board. Later in 2015, he rescheduled loans of the company amounting to Tk 10.79 crore -- a decision he was not authorised to make. In another instance of violation, Hamid rescheduled a Tk 42.38 crore fund for Muhib Steel & Ship Recycling Industries that was already classified as bad loan. Once again, he went above and beyond his authority to do so and without taking the approval of the board. Not only that, Muhib Steel was given letters of credit facility time and again, which took its total outstanding amount to Agrani to Tk 91.93 crore. The entire amount has now been classified as bad loans. Serious irregularities were also committed by Hamid when disbursing loans to Mizanur Rahman Mizan, a customer of Agrani's main branch, and various compa-

nies linked to the client's Sun Moon Group. The outstanding loans now stand at Tk 300 crore and they have become risky. In another move, the BB had instructed Agrani not to delegate any responsibility to its deputy managing director, Mizanur Rahman, temporarily for irregularities. The bank's board of directors directed the management to carry out the regulator's instruction. Yet, Rahman was given the charge of different divisions including the recovery division -- a clear violation of the BB directive and the decision of the board, according to the central bank letter. An official of the BB said the central bank inspections also found irregularities in loans given to Agrani's many other clients, including Zaynab Trading of Chittagong.



Tawfiq-e-Elahi Chowdhury, energy adviser to the prime minister; SA Samad, executive chairman of the Board of Investment, and Masud Rahman, president of Canada-Bangladesh Chamber of Commerce and Industry, attend the signing of a memorandum of understanding between Bol and CanCham Bangladesh in Dhaka yesterday.

### Bol, CanCham team up to boost investment

**STAR BUSINESS REPORT**  
The Board of Investment (Bol) yesterday signed an agreement with Canada-Bangladesh Chamber of Commerce and Industry to promote local and foreign direct investment in the country. The memorandum of understanding was signed at an event of foreign chambers in Bangladesh, at the auditorium of Dhaka Chamber of Commerce and Industry in the capital. The agreement is a landmark for public-private partnership initiative, SA Samad, executive chairman of Bol, said at the programme titled "Second Joint Chambers Meet Up". Coordinated efforts from all government agencies are needed to boost the foreign direct investment inflow to Bangladesh, he said.

### BB triples limit for online purchase

**STAR BUSINESS REPORT**  
Bangladesh Bank has tripled the limit for international online purchases to \$300 per transaction to give a boost to credit card users. In May 2013, the BB allowed users of international credit cards for the first time to make overseas online purchases with a limit of spending \$100 per transaction. The central bank enhanced the limit in a circular yesterday and also widened the online purchasing scope to magazine and newspaper subscription. Earlier, the scope was limited only to legitimate purchase of goods and services such as downloadable software and e-books from reputed and reliable sources abroad. There are about eight lakh credit card users in Bangladesh. Credit card companies and banks welcomed the move. The use of credit cards for online payment across borders would benefit consumers immensely, said Ziaul Karim, head of brand and communications at Eastern Bank. "The more such transactions are done through the formal channel, the better for the country," he said. Bitopi Das Chowdhury, head of corporate affairs at Standard Chartered Bank Bangladesh, the major player in the country's credit card industry, said this would definitely benefit the users and will boost e-commerce. Online payments for such purchases are limited to the available unused annual travel quotas of the international credit card holders plus an additional amount not exceeding \$1,000 annually, according to the BB notice released in May 2013. The annual travel quota is \$5,000 for Saarc countries and Myanmar and \$7,000 for non-Saarc countries.

### Forex reserves hit record

**STAR BUSINESS REPORT**  
Bangladesh's foreign currency reserve crossed a record \$28 billion, riding on a hike in exports and remittances. "It is attributed to falling commodity prices, particularly oil, a rise in export and inflowing remittances," Kazi Sayedur Rahman, general manager for the forex reserve and treasury management department of Bangladesh Bank, told The Daily Star yesterday. The \$28 billion reserves are enough to meet the country's import bills for eight months, according to the central bank. The reserves may decline a bit next month as a payment will be made to the Asian Clearing Unit, a BB official said. Reserves rose to \$27 billion at the end of last year, from \$23 billion in February and \$24 billion in April 2015. Exports grew by 8.26 percent to \$19.26 billion in the first seven months of the current fiscal year, with a growth rate of 10.41 percent in January 2016 alone.

### Minimum broadband speed to be reset five times higher

**MUHAMMAD ZAHIDUL ISLAM**  
The government plans to upgrade the minimum broadband speed to 5Mbps from the existing 1Mbps set in 2013. "It's a government decision and we think it will help the industry flourish. Users will greatly benefit from this," said Md Faizur Rahman Chowdhury, telecom secretary, adding that a notice will be issued on Sunday. The move comes after Sajeeb Wazed Joy, the prime minister's ICT adviser, directed Bangladesh Telecommunication Regulatory Commission in July last year to upgrade the internet speed and amend its definition. Subsequently, the Domestic Network Coordination Committee, headed by the principal secretary of the Prime Minister's Office, decided to reset broadband speed at 5Mbps in October last year. However, Mustafa Jabbar, a former presi-

### Govt cuts OMS rice, wheat prices again

**SOHEL PARVEZ**  
The government has slashed rice and wheat prices by 25 percent and 10 percent respectively for open market sales to clear a part of its large stocks. The move is likely to cost the state up to Tk 350 crore and affect many farmers and millers as it will push the prices of the staple food items down in the market. The price of rice for OMS has been revised down to Tk 15 a kilogram from Tk 20 earlier. For wheat flour, it will be Tk 17 a kg, down from Tk 19 earlier, Foiz Ahamed, director general of the Directorate General of Food, said yesterday. "The new prices will be effective immediately." This is the second time the government has cut prices in just four months amid slow sales. From July 2015 to February this year, some 1,132 tonnes of rice and 1.19 lakh tonnes of wheat were sold through OMS, the food ministry's records show. About 58,074 tonnes of rice and 1.58 lakh tonnes of wheat were sold, in the same period of the previous fiscal year. Food officials said the price cut was necessary to trim down losses of the state as the quality of rice would deteriorate if these remained in warehouses. On February 17, government stores had 14.83 lakh tonnes of grains including 11.09 lakh tonnes of rice, compared to a total cereal stock of 12.07 lakh tonnes a year ago. The prices were cut to clear stocks so new purchases can be made in the upcoming boro season, Ahamed said. "We want to incentivise farmers by beginning boro procurement in May." To support the price cuts, an additional Tk 300-350 crore may be needed in subsidies. The amount of subsidy would be much higher if the rice rots in warehouses, the food ministry official said. "The market price will slump if the government sells rice at this rate," Layek Ali, general secretary of the Bangladesh Auto, Major and Husking Mills Association, told The Daily Star. Millers who have stocks will incur losses, while farmers will have to sell their produce at lower rates. "Many millers would have to default on bank loans." The price of the Swarna variety of rice has fallen from Tk 650 per maund (about 40kg) to Tk 610 because of the speculation over price cuts by the government, Ali had said earlier. However, there would be no impact on the market as a result of the price cut as only coarse rice would be sold through OMS, officials of the Directorate General of Food said. "The main consumers of coarse rice are the poor and we do not deal in medium and fine quality rice, so there will be no impact on the market," the food ministry official said. The price of coarse rice was between Tk 32 and Tk 34 a kilogram last week, down 8.33 percent on the same day a year ago, according to Trading Corporation of Bangladesh. Only the export of rice can allow farmers to get better prices, said Abdul Mannan, a farmer in Bagerhat, who had to sell his BR 23 paddy at Tk 520 a maund.

### Hasina to open 10 economic zones Sunday

**STAR BUSINESS REPORT**  
Prime Minister Sheikh Hasina will open 10 economic zones on Sunday in a bid to boost foreign and domestic investment. The prime minister will inaugurate the economic zones from a programme at Bangabandhu International Conference Centre in Dhaka. "We are hoping that the prime minister will open several other economic zones by December," said Paban Chowdhury, executive chairman of Bangladesh Economic Zones Authority or Beza. Chowdhury spoke at a programme

are: Mirsarai Economic Zone in Chittagong, Mongla Economic Zone in Bagerhat, Srihatta Economic Zone in Moulvibazar and Sabrang Tourism Park in Cox's Bazar. Earlier, PowerPac had fulfilled all the conditions, including an environmental impact assessment, feasibility study and a master plan in line with a prequalification licence, which was awarded by Beza in May last year. "We have already met some foreign investors in Singapore, and the economic zone would be a potential investment destination for them," Sikder said.




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