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জীবনের জন্য, জীবন যাপনের জন্য

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* ফ্রি অনলাইন সেবা
যে কোন প্রয়োজনে ০৯৬৬২০০৯২২



Star BUSINESS

DHAKA TUESDAY MAY 31, 2016

Muhith to cut handouts for state banks by half

REJAUL KARIM BYRON

The allocation for state banks' recapitalisation is set to be slashed by more than half in the forthcoming budget -- the strongest indication yet of the government's intent to crack down on the lenders' errant ways.

Finance Minister AMA Muhith may keep aside about Tk 2,000 crore to meet the banks' capital deficit in the budget for fiscal 2016-17.

This fiscal year, Tk 5,000 crore was originally allocated for the purpose, but it was later reduced to Tk 1,800 crore in the revised budget. Scam-hit BASIC Bank got Tk 1,200 crore, with another Tk 300-400 crore likely on the way.

The development is a departure from the government's position on state banks, which have been handed huge sums for recapitalisation. Earlier this year, the banking division sought Tk 10,000 crore for the purpose for the next two fiscal years.

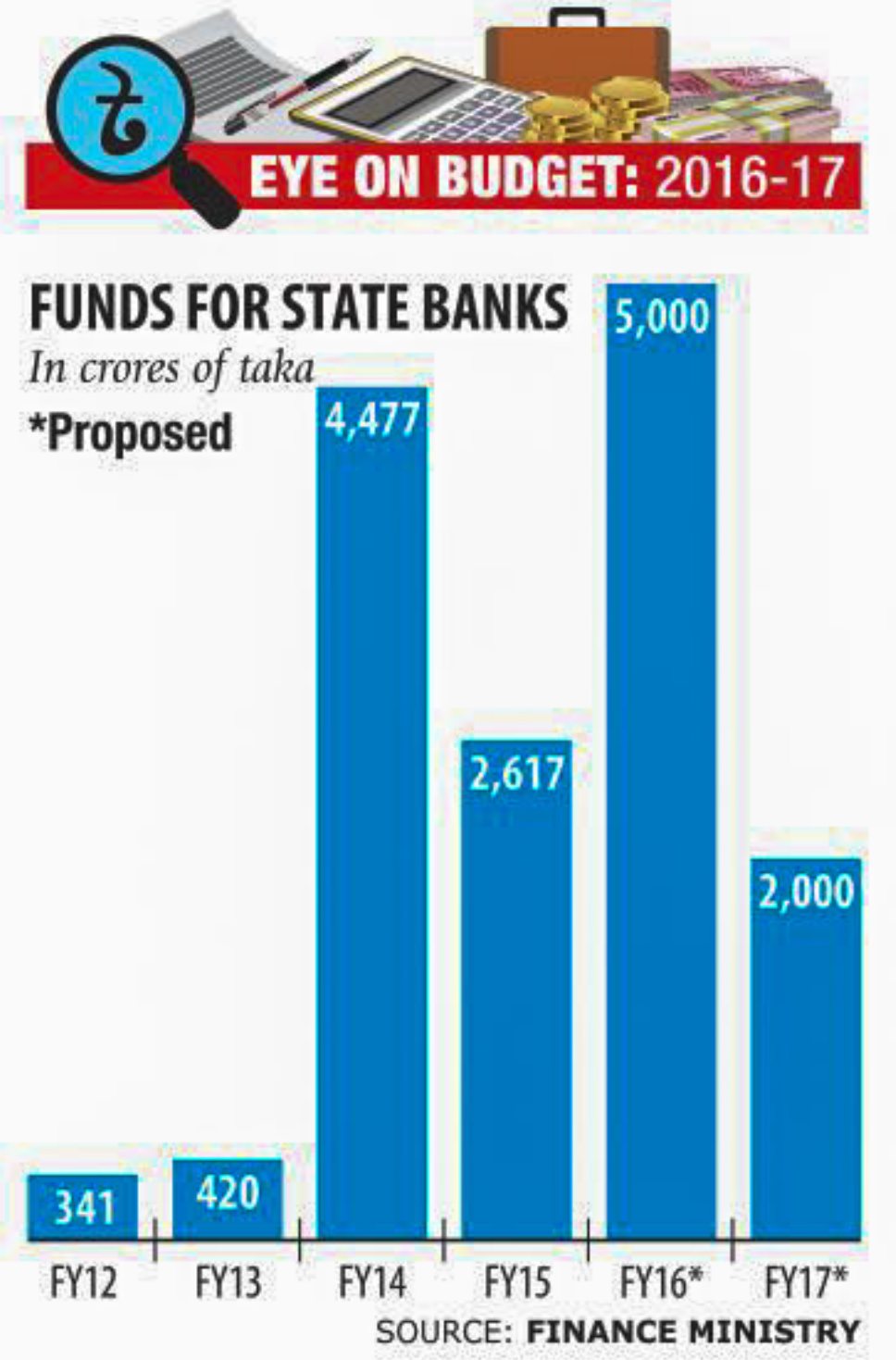
"The state banks would manoeuvre to make their financial conditions worse and the government would continue to give them funds from taxpayers' money -- things cannot go on like this," said a finance ministry official.

With the cut in allocation in the revised budget, the state banks have been given a warning that they would have to be self-reliant, he said.

There are plans to bring in some reforms in state banks next year, the official said, with the government considering offloading some of its shares in the institutions.

Economists have already called for immediate privatisation of state banks save for Sonali and drastic measures against public enterprises to stop them from bleeding the economy.

"I think enough is enough. We no longer need state banks," said Mohammed Farashuddin, a former central bank governor, at a pre-budget discussion jointly organised by the Metropolitan Chamber of Commerce



and Industry and Maasranga TV on May 15.

"We only need to keep Sonali Bank, which is our treasury bank. The other state banks should be left in the hands of people," he added.

Sadiq Ahmed, a member of the central bank's board of directors, unequivocally backed Farashuddin.

"Money is stolen from public banks and then taxpayers' money is used to save them - I think it is a disastrous policy. This should not be tolerated any more."

Ahmed called for turning the state banks into narrow banks, if they are not privatised. Narrow banks can only take deposits; they cannot lend.

"If you can take away the lending decision, there will be no scope for misuse and abuse," he added.

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Tax collection to miss target for fourth year

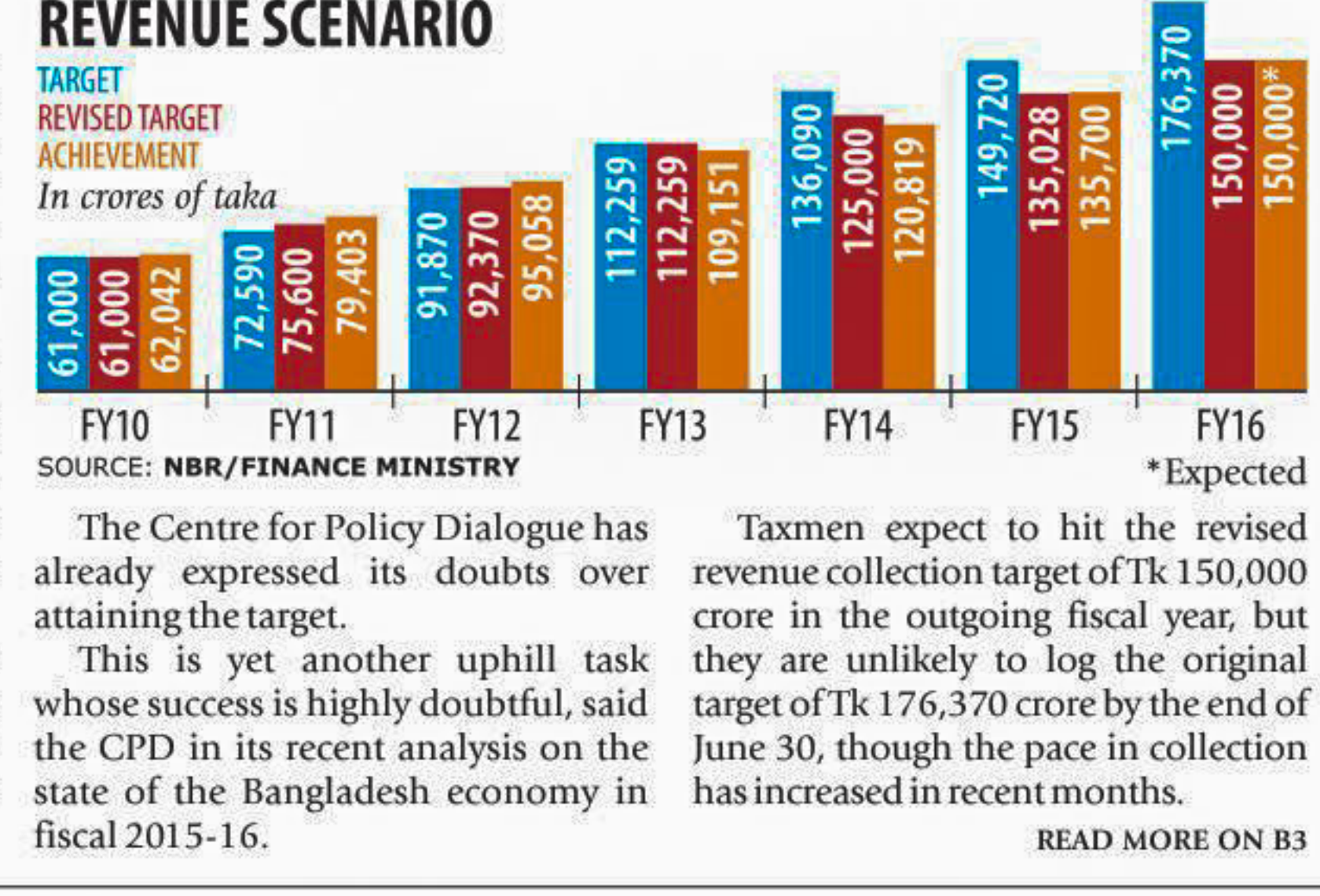
Analysts say targets should not be ambitious

SOHEL PARVEZ

The government is likely to miss its tax collection target for the fourth consecutive year, which analysts have already predicted amid slow economic activities and weaknesses in tax policy and administration.

Yet, Finance Minister AMA Muhith is expected to set a revenue collection target of nearly Tk 203,150 crore for the next fiscal year, which is 15 percent higher than the actual target of the outgoing year and 35 percent higher than the revised target.

A similar situation may be the case next year as well, and the government may have to trim the target halfway through the year by acknowledging that the goal was too high, analysts said.



The Centre for Policy Dialogue has already expressed its doubts over attaining the target.

This is yet another uphill task whose success is highly doubtful, said the CPD in its recent analysis on the state of the Bangladesh economy in fiscal 2015-16.

Taxmen expect to hit the revised revenue collection target of Tk 150,000 crore in the outgoing fiscal year, but they are unlikely to log the original target of Tk 176,370 crore by the end of June 30, though the pace in collection has increased in recent months.

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Foreign missions need dedicated desks for tourism, analysts say

SHARIFUL ISLAM

Bangladesh missions abroad need to appoint officials with proper training and the right knowledge to attract tourists, industry insiders said.

Such steps are necessary to help the country achieve its target of serving one million tourists per year by 2018, especially in the face of allegations that Bangladesh embassy or high commission officials are not always cooperative in offering assistance when approached.

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Shop owners stage protest against new VAT law

STAR BUSINESS REPORT

Shop owners across the country kept their enterprises shut for an hour yesterday to press home their demand for inclusion of package or fixed VAT for small businesses in the latest law.

Traders formed human chains to put across their demands, which also include revision of the VAT and supplementary duty law by incorporating the recommendations of the government-formed panel.

The panel, which has representatives from the business community and the government, called for multiple VAT rates instead of a universal 15 percent.

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IFC likely to lend \$190m to Summit, Walton

MD FAZLUR RAHMAN

The International Finance Corporation may invest \$190 million in two large companies in Bangladesh to boost the nation's efforts to upgrade infrastructure and diversify exports.

The private sector lending arm of the World Bank Group is considering \$170 million for Summit Corporation Ltd and \$20 million for Walton Hi-

Tech Industries, according to proposals posted on the IFC website.

Shahana Akhter Shampa, a senior official of Walton Group, and a senior official of Summit Group who sought anonymity, confirmed yesterday that the companies submitted loan proposals to the IFC.

The loan for Summit will be a convertible loan investment and will be used to help the family-run business to

set up a holding company in Singapore and meet its equity funding requirements for its future power projects in Bangladesh.

The investment will be in Summit's proposed 715-megawatt power projects over the next three years.

The IFC had previously financed Summit Group's Khulna Power Plant in 1999 and Bibiyana II Project in 2015.

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A dissemination workshop was organised by Katalyst on 25 May 2016 at Hotel Sarina with public and private organisations to disseminate the findings of the study titled 'Inclusive Agri-business for Shared Prosperity - Why Inclusive Business makes Business Sense'. It has been researched and written by Peter Davis, MA, PhD and is based on interviews with private companies that Katalyst has partnership. Professor Shamsul Alam, Member (Senior Secretary), General Economics Division, Planning Commission, Government of Bangladesh, was present as the chief guest. The report identifies that inclusive business approaches bring commercial and operational benefits to companies in many ways, for example in accessing new business opportunities, in developing relationships with key business partners, and in improving business process and resilience.

Ramadan Kareem

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নারীদের দৈনন্দিন ব্যাংকিং সেবা আরও সহজতর করার জন্য সাউথইস্ট ব্যাংক নারীদের জন্য নিয়ে এলো আকর্ষণীয় সঞ্চয়ী সেবা। এই সেবা সাউথইস্ট ব্যাংকের সকল শাখা থেকে পাওয়া যাবে। এই সঞ্চয়ী সেবার সুবিধাসমূহ:

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