

MoneyGram ties up with Sonali Bank

STAR BUSINESS REPORT

MoneyGram yesterday announced its network expansion in Bangladesh by tying up with state-owned Sonali Bank, which will now offer the global money transfer company's services at all branches.

The tie-up will increase MoneyGram's network in Bangladesh to more than 6,000 locations, from which customers can pick up money sent from abroad.

"MoneyGram is committed to making its services easy and convenient for all of its customers in Bangladesh and the thousands of expatriates who remit money," said Sheshagiri Malliah, the company's regional relationship director for South Asia.

"By working with Sonali Bank, our customers will have more choice in when and where to collect MoneyGram transfers," he said adding that the deal will also strengthen their presence in Bangladesh, globally the eighth largest remittance receiving country in the world.

Malliah and Pradip Kumar Dutta, managing director and chief executive officer of Sonali Bank, signed the deal at The Daily Star Centre in Dhaka.

Dutta said Sonali Bank has a network of 1,207 branches across the country. "This partnership will enhance the money transfer services in Bangladesh and give better services to the customer base. Both the remitters and recipients will be benefitted," he said.



Sheshagiri Malliah, regional relationship director for South Asia at MoneyGram, and Pradip Kumar Dutta, chief executive officer of Sonali Bank, pose at an agreement signing ceremony at The Daily Star Centre in Dhaka yesterday. MoneyGram services will now be available at all branches of the bank.

MoneyGram has already teamed up with Al-Arafah Islami Bank, AB Bank, Mutual Trust Bank, Premier Bank, Jamuna Bank, IFIC Bank, Standard Bank, Eastern Bank, Janata Bank, Southeast Bank, Agrani Bank, Islami Bank, Uttara Bank, National Bank, Brac Bank, the City

Bank and NCC Bank to provide money transfer services for clients.

MoneyGram offers services in more than 200 countries and territories through a global network of around 3.5 lakh agent locations, including retailers, international post offices and banks.

Islami Bank reappoints CEO for third term

STAR BUSINESS DESK

Mohammad Abdul Mannan has been reappointed as the chief executive officer of Islami Bank Bangladesh for a third term, the bank said in a statement yesterday.

He has been working in the capacity since 2010.

Mannan recently received 'The Asian Banker' CEO Leadership Achievement Award-2016' and the bank was judged as 'The Best Managed Bank in



Bangladesh' for the same year.

He is also the vice chairman of the Association of Bankers Bangladesh, treasurer and chairman of the Arbitration Committee of Bangladesh Foreign Exchange Dealers Association and the chairman of the Task Committee of Islamic Banks Consultative Forum.

Mannan obtained his master's degree from Dhaka University in political science.



Md Sayadur Rahman, president of Bangladesh Merchant Bankers Association, presides over the association's 11th annual general meeting at Hotel 71 in Dhaka on Saturday.



Rashidul Hasan, chairman of Uttara Finance, and SM Shamsul Arefin, managing director, attend the company's 21st annual general meeting at Spectra Convention Centre in Dhaka on Monday.

Germany slips out of global competitiveness top 10: study

REUTERS

Germany has slipped out of the top 10 most competitive economies in the world, falling two places to 12 from last year, a study by Swiss business school IMD showed on Monday.

The study, based on a worldwide survey of 5,400 managers assessing 342 criteria, showed that a diminished assessment of Germany's government and the economy's performance were the main reasons for the drop, IMD director Arturo Bris said.

"The biggest danger for Germany is self-satisfaction," Bris said. "If it rejects that, it will get back into the top ten."

Hong Kong came top in the survey this year, followed by Switzerland and the United States.



Md Yeasin Ali, chairman of Bangladesh Development Bank, opens the bank's 39th branch at Hemaetpur, Savar yesterday. Manjur Ahmed, managing director, was also present.

Brent crude lower on strong Middle East oil output

REUTERS, London

Brent crude prices fell on Tuesday on rising output from the Middle East and ahead of an Opec meeting on Thursday, while US crude edged higher as the summer driving season began.

Brent crude oil futures were down 26 cents at \$49.50 a barrel by 1056 GMT, while US West Texas Intermediate (WTI) crude oil futures traded 9 cents higher at \$49.42 a barrel. Iraq will supply 5 million barrels of extra crude to its international oil company partners in June, industry sources familiar with the issue said, joining other Middle East producers by lifting market share.

Iraq, the second-largest producer in the Organisation of the Petroleum Exporting Countries, had already been targeting record crude export volumes from southern terminals next month of 3.47 million barrels per day.

Businesses demand cuts in corporate taxes

FROM PAGE B1

He also demanded reduction in the number of slabs in supplementary tax and hopes that the infant local industries will not face competition from finished imported products.

The VAT and tax nets need to be widened in order to get higher revenues, Ahmad added.

The Foreign Investors' Chamber of Commerce and Industry, a trade body of overseas investors in Bangladesh, suggested corporate tax should be brought down by 10-15 percent.

FICCI also demanded increasing the minimum taxable income ceiling to Tk 3 lakh from existing Tk 2.5 lakh.

Import substitute industries are producing intermediate goods consuming imported materials and they face severe competition in international market due to payment of advanced income tax (AIT) at 5 percent and tax deducted at source at 5 percent, it said.

"Therefore, FICCI expects a reduction of AIT from 5 percent to 1 percent for the manufacturing industries," said FICCI President Rupali Chowdhury.

Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association, demanded reinstatement of 10 percent corporate tax for the garment sector.

The BGMEA said the apparel sector should be kept out of the VAT purview as garment exporters are already entitled to the duty drawback system.

Duty drawback is the rebate of duty chargeable on imported materials used in the manufacture and export of goods. The exporter may claim drawback or refund of excise and customs duties paid by his suppliers.

"If the sector is kept out of VAT, exporters will not face any hassle for duty drawback," Rahman said.

The budget should look to rationalising the cost of doing business, and simplifying the tax rules, regulations and processes, said Hossain Khaled, president of Dhaka Chamber of Commerce and Industry.

He also called for creating a better local and foreign investment ecosystem.

Khaled also said the proposed 15 percent VAT under the new law needs to be abolished.

The existing package or fixed VAT needs to continue until 2021 with gradual increases annually for the greater interest of micro, small and medium enterprises.

In a stark contrast to other chambers and trade bodies, the foreign investors' chamber strongly recommended the implementation of the new VAT law.

The FICCI said the existing law has addressed many business-unfriendly issues like price declaration and restriction on rebate in some cases.

Price declaration is the most complicated system with lots of ambiguity, which often leads to harassment

for transparent taxpayers.

"However, if, for any reason, the implementation of the new law is delayed, FICCI strongly recommends withdrawal of the price declaration system with immediate effect," she added.

The Dhaka chamber said the government should allow the investment of undeclared money in the manufacturing and real estate sectors and infrastructure bonds.

In addition, effective project implementation and monitoring measures must be in place to expedite mega infrastructure projects and economic zones for attracting investment, Khaled said.

Rahman of BGMEA also demanded duty-free import of all kinds of fire safety equipment so that factory owners can install them at lower costs.

The tax at source should be reduced to the previous rate of 0.3 percent from the current rate of 0.6 percent, as exporters have been facing challenges in doing business, Rahman added.

"We want bank loans at a single-digit interest rate for bringing more investment to industries. We want a business- and investment-friendly budget," said Mahbubul Alam, president of the Chittagong Chamber of Commerce and Industry.

"The budget should at first attract domestic investment and then foreign direct investment to create more employment opportunities."



Harun Ar Rashid, deputy managing director of Super Star Group, and Marco Aurelio Mimoso Santos, chief executive of Grupel, pose at an event to sign an exclusive distributorship agreement at Grupel's headquarters in Portugal.

Safety net outlay to go up 16pc

FROM PAGE B1

The programme started in fiscal 2005-06 with a budget of Tk 25 crore; each person was given Tk 200 per month then. The allocation for it is Tk 360 crore.

The maternity allowance programme for the poor lactating women will be extended to all municipalities next fiscal year. At present, the scheme is being run in 10 municipalities.

The fund to provide assistance to cancer, kidney and liver cirrhosis patients will be raised by Tk 10 crore to Tk 30 crore.



Md Shafiqur Rahman, managing director of Social Islami Bank, opens the 118th branch of the bank at Burichong Bazar in Comilla. Tarik Morshed, deputy managing director, was also present.