

ADB awards best performing project teams in Bangladesh

STAR BUSINESS DESK

The Asian Development Bank has awarded three of its best performing project teams in Bangladesh as part of its efforts to promote efficient project implementation.

Cai Li, deputy country director of the ADB resident mission in Bangladesh, presented the awards for the year 2016 to the winning teams at a ceremony in Dhaka on Sunday, according to a statement.

Senior government officials, project directors of ADB-assisted projects, members of the winning project teams, and ADB staff members attended the ceremony.

The winning project teams are: Participatory small scale water resources sector project, executed by the Local Government Engineering Department; SASEC railway connectivity: Akhaura-Laksam double track project, executed by Bangladesh Railway; and, Power system efficiency improvement project, part A -- construction of Ashuganj 450 megawatt power plant, executed by Ashuganj

Power Station Company Ltd.

"The project teams were selected for results delivery, efficiency, effective project implementation, efforts to empower women, transparency, and other criteria," said Cai Li.

Participatory small-scale water resources sector project (with \$55 million ADB financing) is developing community-based infrastructure with participation of stakeholders, including farmers, fishermen, landless people and women.

The project, including two of its forerunners, helped raise cropping intensity from 176 percent to 237 percent, saved one crop from regular flooding, added over 390,000 tonnes of crops, and created employment of 6.27 million person days per annum.

The SASEC railway connectivity: Akhaura-Laksam double track project (with \$505 million ADB financing) is helping to upgrade the 72-kilometre Akhaura-Laksam section of the Dhaka-Chittagong railway corridor to a double track dual-gauge railway line, along with modern signalling equipment.

This project will help reduce transport costs, improve logistics of strategic corridors, such as Dhaka-Chittagong link, for domestic and sub-regional trade, and enhance inclusiveness of railway services by introducing infrastructure.

The power system efficiency improvement project (with \$500 million ADB financing) is helping to construct a 450MW combined cycle modern power plant in Ashuganj, which will produce 80 percent more power by using the same amount of energy as before, thus contributing to environmental sustainability.

The best project team recognition programme was initiated in 2001, and has been a regular annual exercise by the ADB to promote development effectiveness of ADB-assisted projects in Bangladesh.

As of April 30, the ADB's ongoing lending to Bangladesh stood at \$7.6 billion for 54 projects, while the ongoing technical assistance amounted to \$28.6 million for 32 projects. The lender approved more than \$1 billion for Bangladesh in 2016.



Prime Minister Sheikh Hasina receives a cheque for Tk 6 crore from Major General Mohd Habibur Rahman Khan, executive chairman of Bangladesh Export Processing Zones Authority, as donation to the Prime Minister's Relief and Welfare Fund and Jatir Janak Bangabandhu Sheikh Mujibur Rahman Memorial Trust, at a programme at Gono Bhaban in Dhaka on May 15.

City Bank signs deal with ICD for private sector development in Bangladesh

STAR BUSINESS REPORT

City Bank signed a deal with Islamic Corporation for the Development of the Private Sector (ICD) to strengthen collaboration for fostering private sector development in Bangladesh.

The joint collaboration will encompass the areas of finance, public private partnership transactions, lines of finance and any other areas of mutual interest, the bank said in a press release yesterday.

The signing ceremony took place at the 42nd annual meeting of the Islamic Development Bank (IDB) Group at Hilton Hotel in Saudi Arabia on May 18. The ICD, a multilateral development financial institution, is part of the IDB.

Khaled Al Aboodi, CEO of ICD, and Sheikh Mohammed Maroof, deputy managing director of City Bank, signed the deal. "City Bank is one of our most valued partners and signing of this MOU will take our relationship to a

new level which will benefit the people of Bangladesh the most," Aboodi said at the ceremony.

"City Bank has achieved significant growth over the years by leveraging strong relationships with partners and providing innovative solutions to meet growing financial needs," Maroof said.

"I'm sure this partnership with ICD will improve the bank's performance capacities and better serve our customers' banking needs."

Mominul Islam, managing director of IPDC Finance, poses with the "ADFIAP Award 2017" at a ceremony in Macau on May 10. The non-bank financial institution won the accolade in the corporate social responsibility category. Arjun Rishya Fernando, chairman of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP), was also present.



Khaled Al Aboodi, CEO of Islamic Corporation for the Development of the Private Sector, exchanges documents of a deal with Sheikh Mohammed Maroof, deputy managing director of City Bank, at Hilton Hotel in Saudi Arabia on May 18. The deal aims at strengthening collaboration to foster private sector development in Bangladesh.



LafargeHolcim, StanChart team up for distributor financing programme

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LafargeHolcim Bangladesh Ltd has become the latest partner of Standard Chartered Bank's "Distributor Financing" programme.

The bank is offering the programme for the distributors of LafargeHolcim to enhance its business capacity, the bank said in a statement.

This global programme is part of the bank's "Banking the ecosystem" initiative, which aims at deepening relationships with corporate clients, and their buyers, according to the statement.

Rajesh K Surana, CEO of LafargeHolcim Bangladesh Ltd, and Abrar A Anwar, CEO of Standard Chartered Bank Bangladesh, signed the agreement at the head office of the bank in Dhaka on Sunday.

With this initiative, the distributors of LafargeHolcim Bangladesh will be able to get financing facilities from Standard Chartered Bank with easier terms and a very competitive pricing against their purchase of goods from LafargeHolcim Bangladesh.

In the last few years, Standard Chartered has become active in the market in financing the supply chain of its corporate clients.

For dues, bank puts up Citycell office for sale

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Choudhury Moshtaq Ahmed, the acting managing director of the bank, did not respond to phone calls and messages from The Daily Star. Khan said they have already paid the Bangladesh Telecommunication Regulatory Commission's dues and will gradually pay back NBL's entire unpaid loan.

There are also talks with a foreign party to sell out Citycell, Khan said. "Discussion is on the table right now," he added.

Earlier, the BTRC brought down the curtains on the country's oldest mobile operator over dues amounting to Tk 477 crore pertaining to spectrum and licence fees, revenue sharing and late penalty.

After the cancellation of its spectrum, Citycell had paid Tk 230.19 crore to the BTRC along with Tk 14 crore as tax to National Board of Revenue, according to court documents.

Citycell disputes the amount claimed by the BTRC, so the High Court formed a committee to settle the matter. The committee is still working on it.

After getting back its spectrum Citycell is yet to re-start its commercial operations as most of its towers across the country went under lock and key for non-payment of house rent, electricity bills and employees' salaries.

Recently, a group of employees served a legal notice to Citycell over their mounting amount of unpaid salaries and other benefits.

Citycell began its operations in 1993, though its licence was awarded in 1989.

Singapore's SingTel owns 44.54 percent shares in Citycell, Pacific Motors 37.95 percent and Far East Telecom 17.51 percent.

Shareholders had been trying for the last few years to sell the operator's licence but in vain.

The operator's subscription reached a peak of 19 lakh in 2011, but before the suspension of spectrum its customer base stood at 1.25 lakh only. In fiscal 2014-15, its total revenue stood at Tk 139.77 crore, while its investment was zero, according to the BTRC's annual report.

Govt may hike duty to make up for VAT loss

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Policymakers had also considered imposing VAT on English medium schools. But the Supreme Court ruled in February that the government can't collect VAT from the students of these schools, giving some relief to the guardians.

As per the government plan, VAT will account for 40 percent of the total revenue collection target of Tk 236,000 crore in the upcoming fiscal year. The target is 31 percent higher than the revised target for the outgoing fiscal year. VAT, a consumption tax, is the biggest source of revenue.

Chittagong Chamber re-elects top brass

STAFF CORRESPONDENT, Ctg

Mahbubul Alam has recently been re-elected as the president of Chittagong Chamber of Commerce and Industry for the third consecutive time for 2017-18 and 2018-19 period.

Md Nurun Newaj Selim and Syed Jamal Ahmed have also been re-elected as senior vice president and vice president for the third consecutive time. They were elected uncontested in the first meeting of the newly elected directors of the chamber at its office at World Trade Centre in the port city yesterday, said Fouzul Mobin Khan, chairman of the election board.



Mahbubul Alam

Leathergoods makers' assoc re-elects president

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Md Saiful Islam has recently been re-elected as the president of Leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh for 2017-2019, the association said in a statement yesterday.

The association also re-elected six members of its executive committee, according to the statement.



ADP execution slows in Jul-Apr

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The total cost of the Padma Bridge project is Tk 28,793 crore, of which, Tk 12,273 crore has been spent till February.

The official said the most complex work in the Padma Bridge project is piling, which is taking a long time.

In addition, the science and information technology ministry spent only 41 percent of its allocation in 10 months. Under the ministry, over Tk 1 lakh crore has been allocated in a single project: Rooppur Power plant. The ministry could not spend even half of its allocation in 10 months.

The road transport and highways division spent 59 percent of its revised allocation in the first 10 months, health ministry 45 percent, railways 37 percent, secondary and higher secondary education division 50 percent, primary and mass education 53 percent. However, the power division implemented 67 percent of its revised allocation and the local government division 65 percent.

Of the total revised allocation, 56 percent of the government's own fund was spent, which was 48 percent in the same period last fiscal year; 48 percent of foreign funds have been utilised in the period this year, which was 52 percent last fiscal year. The ministries and divisions usually speed up spending in the last few months of a fiscal year.

Baraka Power diversifies into garment

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Baraka will invest another Tk 10 crore in addition to the acquisition cost to modify the 10-line factory. The debt and equity ratio in Tk 40 crore will be 70:30, according to the company.

Incorporated in Bangladesh in June 2007, Baraka has a power plant in Fenchuganj, Sylhet that generates 51 megawatts of electricity. Baraka Patenga Power, a 51 percent subsidiary company of Baraka Power, generates and supplies 50MW on a build-own-operate basis.

Baraka got listed in the Dhaka and Chittagong stock exchanges in May 2011. Each Baraka Power share traded at Tk 41.7 yesterday on the Dhaka Stock Exchange. Earnings per share of Baraka were Tk 0.77 in the first quarter of 2017, up from Tk 0.74 a year earlier.



Syed Waseque Md Ali, managing director of First Security Islami Bank; Mohammad Samsul Haque, managing director of Asian Tiger Capital Partners Investments Ltd, and Mohammad Sarwar Hossain, managing director of Roots Investment Ltd, attend a signing ceremony of an agreement for issuance of FSIBL Mudaraba Subordinated Bond of Tk 450 crore, at the head office of FSIBL in Dhaka yesterday.