

Accolade for DHL Bangladesh's education project

STAR BUSINESS DESK

DHL Bangladesh has won the Asia Best CSR Practices Awards 2017 for an education project that the logistics company runs as part of its CSR initiative.

DHL runs the project—Empowering young minds to save lives—in collaboration with Teach For Bangladesh, to educate students on how to keep safe on the roads and in times of natural disaster.

Teach For Bangladesh is a member of Teach For All, a global network consisting of more than 40 independent organisations, each working to expand education opportunity in their respective nations.

The seventh edition of the award giving ceremony was held at Le Meridien hotel in Singapore on Wednesday.

Through workshops, DHL Bangladesh and Teach For Bangladesh have reached over 20 schools, and impacted nearly 4,000 students in Dhaka city.

The initiative started off in 2016, reaching out to classrooms in 11 government primary schools in Dhaka where Teach For Bangladesh fellows are teaching.

In 2016, they directly reached over 1,200 students in the schools, raising

awareness about the rules, regulations and best road safety practices.

In 2017, workshops took place in 11 other schools, to reach out to more than 2,600 students in total with road safety information, as well as new information about earthquake preparedness, according to the statement. "I am personally very proud of what our project, 'Empowering Young Minds to Save Lives' has accomplished so far," said Nooruddin Chowdhury, country manager of DHL Global Forwarding Bangladesh.

"Winning this award validates our efforts and encourages us to continue with the workshops, he said."

"Teach For Bangladesh is proud to have a committed partner like DHL Bangladesh to contribute to our work to end educational disparity for children in Bangladesh. The road safety campaign is just one example of this committed effort," said Maimuna Ahmad, CEO of Teach For Bangladesh.

"In addition to providing key financial support that has been critical to our growth over the last two years, the leaders and staff at DHL Bangladesh have gone above and beyond to get involved in improving the lives of the children we work with. We are thankful to them."

Tesla lowers price of Model X, saying margins improved

REUTERS, San Francisco

Tesla Inc on Friday lowered the base price of its Model X SUV to \$79,500 and said improving margins were behind the move, which came as the automaker is ramping up production of its new lower-priced Model 3.

Some analysts have been concerned that the launch of the Model 3, whose base price is \$35,000, would steer some potential buyers away from the Model X SUV to that lower-priced sedan.

But Chief Executive Elon Musk said earlier this week that demand had not waned for the luxury electric sport-utility vehicle. "When we launched Model X 75D, it had a low gross margin. As we've achieved efficiencies, we are able to lower the price and pass along more value to our customers," Tesla in a statement on Friday announcing it had lowered the previous \$82,500 starting price of the vehicle by \$3,000.

The most expensive version of the Model X, the P100D, with fastest acceleration and longer range, costs \$145,000. Musk said on a call with analysts earlier this week that the launch of the Model 3 had not cannibalized Model X sales, and that demand for the Model X as well as the Model S had actually increased with the release of the lower-priced vehicle.

The Model 3, marketed as a car for the masses, begins at \$35,000 before incentives, but a longer-range version is priced at \$44,000, to compete with high volume luxury sedans such as the Audi A4, BMW 3-series or Mercedes C-Class.

Tesla does not break out gross margins of its individual models, but overall gross margins excluding stock-based compensation and revenue from zero-emission vehicle credits fell to 25 percent in the second quarter from 26.4 percent a year earlier, due to the Model 3 build.



Asif Iqbal, executive director of marketing for fast-moving consumer goods at Meghna Group of Industries, receives an award as one of Asia's top 50 brand leaders in Singapore. The award was presented for "Fresh" being named as the best food brand in Bangladesh for three consecutive years since 2014 by global Brand Footprint study.

Multi-designer boutique opens in Banani

STAR BUSINESS REPORT

A multi-designer store named Panache Hub started its journey on Friday with a view to providing more clothing options to the capital's female demographic.

Located in Banani, the store will showcase wares of 25 designers. The store will

also stock jewellery, shoes and beauty products.

The store is a hub for local designers and entrepreneurs to collaborate and explore their creativity in designing clothes, said Sabera Anwar, Panache Hub's owner.

In future, the store will hold workshops to raise the quality of designs, she said.



Kazi M Aminul Islam, executive chairman of Bangladesh Investment Development Authority; Abul Kalam Azad, chief coordinator for Sustainable Development Goals at the Prime Minister's Office; Fazle Kabir, governor of Bangladesh Bank; and Muhammed Aziz Khan, chairman of Summit Group, witness the signing of memoranda of understanding of Summit Power International with US-based GE and Exceletrate in Singapore on Friday.

Summit ties up with GE, Exceletrate for \$1b energy projects

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Faisal Khan, additional managing director of Summit Corporation, and Banmali Agrawala, president of GE South Asia, signed one initial agreement on behalf of the two parties.

Tariqur Rashid, managing director of SLTC, and Karlman Tham, general manager for Asia at Exceletrate, signed another initial agreement.

International Finance Corporation, a member of the World Bank Group, has been engaged as the lead arranger to develop the Meghna-II gas-based combined cycle power plant.

Upon completion, Summit will have a total installed electricity generating capacity

of over 3,000MW, said the company.

Speaking on the occasion, Aziz Khan said, "We are delighted to announce these significant projects valued at over \$1 billion over the next three years."

"The addition of these power projects is in line with our objective to grow our sustainable power capacity to empower nations and transform lives."

Agrawala said the MoU was a step towards furthering GE's strategic partnership with the Summit Group in the region.

"We will continue to evaluate collaborations that provide comprehensive energy solutions to Bangladesh, including in the form of technology, services and financing."

Report not being made public for case in Filipino court

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Muhtith said RCBC has already said that it would not refund the money.

"So, if we publish the report, it may do more harm than good," he said.

Following the heist, the government formed a three-member investigation committee headed by former BB governor Mohammed Farashuddin.

The probe body submitted its preliminary report to Muhtith in April and the final report on May 30 last year. Since then, Muhtith on several occasions pledged to publish it.

In July last year, the minister even told in parliament that the probe report on the

heist will be made public within the "next few days". The report was even scheduled to go online on the finance ministry's website last year.

Of the \$81 million that ended up in the Philippines, Bangladesh has so far got back \$15 million.

When asked whether steps will be taken against those who have been named in the Panama Papers, Muhtith said the investigation is underway, and the Anti-Corruption Commission is seeking further details.

Prof Jamilur Reza Choudhury, vice-chancellor of the University of Asia Pacific, and Ariful Haque Chowdhury, mayor of Sylhet City Corporation, also spoke.

Sri Lanka's Supreme Court shoots down tax reforms

AFP, Colombo

Sri Lanka's Supreme Court has effectively shot down a sweeping overhaul of the island's tax system, calling the proposed legislation unconstitutional, the country's parliament speaker told lawmakers Friday.

Last month Sri Lanka tabled the Inland Revenue bill to widen the tax net and give wide-ranging powers to authorities to crack down on evaders.

But speaker Karu Jayasuriya told parliament Friday the highest court had informed him that it would not approve the bill in its current form -- a legal requirement for the legislation to become law. The court has asked the government to either change the bill or hold a nationwide referendum on the proposed legislation.

If the government wins the referendum it can bring the bill before parliament, where lawmakers can vote to make it law. However, official sources said the government was unlikely to seek a referendum and instead, would try to water down the sections deemed at odds with provisions of the constitution.

One of the sections the court objected to was a proposal to empower the tax chief to prevent any individual from leaving the country if that person was suspected of tax fraud. The court also deemed unconstitutional a clause that would let tax authorities share information with the state attorney general to be used in criminal prosecutions.

The International Monetary Fund (IMF) has long pushed for a reform of the country's tax system and Finance Minister Mangala Samaraweera was hoping for the bill to be approved this month.

There was no immediate comment from the finance ministry on the court decision. The IMF in 2016 agreed to lend Sri Lanka \$1.5 billion spread over three years following a balance of payments crisis.

Last month, the IMF released the third installment of the loan after holding up the payment for months over Colombo's failure to meet its bailout conditions.

Canada's trade deficit more than doubles

AFP, Ottawa

Canada's trade deficit more than doubled in June to Can\$3.6 billion (USD\$2.84 billion), largely because of a drop in oil exports, the government said Friday.

The increase far exceeded the expectations of analysts, who had anticipated a deficit in the range of Can\$900 million. In May, the deficit stood at Can\$1.4 billion. After three straight months of record highs, total exports fell 4.3 percent to Can\$46.5 billion in June, "mainly due to lower exports of unwrought gold and energy products," Statistics Canada said in a statement.

Prices fell 2.7 percent, with widespread declines throughout the commodity sections. Exports excluding energy products declined 3.4 percent.

Imports also edged higher by 0.3 percent to Can \$50.1 billion, led by an increase in gold bullion, the agency said.

Rising US exports see June US trade gap sink

AFP, Washington

The US trade gap in June fell to its lowest level in eight months, driven by a surge in exports, official figures showed Friday. Big jumps in international sales of crude oil and soy beans helped drive American exports to their highest level in nearly three years, the Commerce Department reported.

Meanwhile, imports fell slightly in tandem with a weakening US dollar. The narrowing deficit could bode well for economic growth in the third quarter of the year, reducing drag on calculations of GDP.

The trade gap fell 5.9 percent for the month to \$43.6 billion, the largest monthly decrease in four months, surpassing an analyst forecast which had called for only a 3.2 percent decrease. Year-to-date, however, the deficit in US trade in goods and services was still up 10.7 percent over the same period last year.

The Trump administration has made shrinking overall US trade deficits a central goal of its economic agenda, including negotiating with countries individually to reduce bilateral deficits, an effort economists dismiss as pointless and potentially harmful.

ICAB organises student summit

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Mostafa Kamal, vice-president of the ICAB, discussed CA education at the programme while Mahmudul Hasan Khusru, chairman of the summit organising committee, also spoke.

Among the successful chartered accountants, Ahmed Raihan Shamsi, CEO of Accenture CIS Ltd and managing director for communications, media and technology of ASEAN, Akhter Matin Choudhury, chairman and managing director of Nuvista Pharma Ltd, and Parveen Mahmud, a former president of the ICAB and managing director of Grameen Telecom Trust, shed light on their career.

Private credit growth drops

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Last fiscal year, remittance dropped almost 15 percent.

"Nowadays you often hear the businessmen say that the trade and commerce are dull. This is reflected in the low demand."

Since the export growth is slow, exporters are taking fewer loans. In fiscal 2016-17, exports grew only 1.69 percent.

Although the private sector credit growth was lacklustre, the GDP grew 7.24 percent last fiscal year, according to the Bangladesh Bureau of Statistics' provisional data.

This prompted the central bank to set a private sector credit growth target

at 16.2 percent in the first half of the current fiscal year, down from the preceding six months' 16.5 percent.

For achieving fiscal 2017-18's budgetary growth target of 7.4 percent, a 16.2 percent private sector credit growth target is enough, said BB Governor Fazle Kabir last month while releasing the Monetary Policy Statement.

Alongside the private sector credit, the government's credit from the banking sector also fell drastically.

In fiscal 2016-17, the government's borrowing from the banking system slumped 14.78 percent, or by Tk 16,885 crore, compared to the previ-

ous year.

In the revised budget for last fiscal year, the government's target for borrowing from the banking system was Tk 23,903 crore.

Since the government's borrowing from savings instruments increased, there was no need to borrow from banks, said a BB official.

The net borrowing from savings instruments stood at Tk 52,417 crore last fiscal year, up 82.43 percent year-on-year.

In fiscal 2016-17's revised budget, the government's borrowing target from the savings instruments was Tk 45,000 crore.



Md Mehmod Husain, CEO of NRB Bank, attends the bank's half-yearly business review meeting-2017 at Spectra Convention Centre in Dhaka yesterday. Saaduddin Ahmed, deputy managing director of the bank, was also present.