

Rupali's share price spiralling abnormally

JEBUN NESA ALO

Rupali Bank's stock price soared 106 percent since June 29 even though the state-owned lender's non-performing loan ratio, a barometer of its financial health, has been on the rise.

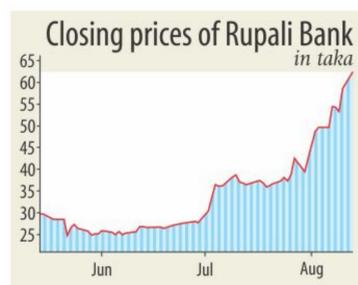
On June 29, each share of the bank traded at Tk 27, which rose to Tk 30.50 at the close of the next trading session and Tk 33.50 the following day so on. Yesterday, each Rupali shares traded at Tk 62.80.

The unusual price hike towards the beginning of July even brought the Dhaka Stock Exchange to its doors. But the bank said it had no undisclosed price-sensitive information.

"We have no idea about why share price is rising," said Ataur Rahman Prodhnan, managing director of Rupali Bank, adding that the bank's financial performance did improve this year.

Towards the end of June, word got out that the state-owned bank was on course to logging in healthy profit for the first half of the year.

A report published on The Daily Star on



July 3 informed that as per provisional statistics Rupali registered Tk 208 crore as operating profit for the January-June period -- a six fold increase from a year earlier.

Eventually, the bank announced net profit of Tk 20.17 crore for the first half of the year, which is more than double the sum registered for the same period last year.

Prodhnan, who joined Rupali in August last year, accounted the substantial growth in profit to the increased focus on quality investment this year.

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Waterlogging plagues Kalurghat industrial area

REFAYET ULLAH MIRDHA

Exporters at the Kalurghat heavy industrial area in Chittagong have long been facing extreme difficulties in shipping goods on time due to seasonal waterlogging that hampers production and transportation.

"Sometimes, I have to even shut down my factory as workers have to come wading through knee-deep water," said the owner of an export-oriented garment factory, asking not to be named.

"I am also facing difficulties in case of production shortfalls as the factory cannot run in full capacity because of the absence of workers," said the owner, who employs 1,000 workers and supplies woven shirts to H&M, GAP and Tommy Hilfiger.

The exporter said the waterlogging in Kalurghat, where many multinational companies such as Unilever and Berger Paints, have operations, was nothing new as it has continued to surface for years with the onset of rainy season.

The area remains inundated with water even for two to three months at a time, in places for faulty drainage systems and in others for the absence of a proper one, the owner said.

He said even vehicles cannot enter factories to take goods to the Chittagong port for shipment.

"As a result, garment factory owners either face the harsh reality of cancelling work orders or using expensive air shipments to maintain strict lead-time."

Syed Nurul Islam, chief executive officer of



Waterlogging at the entrance to the Kalurghat heavy industrial area in Chittagong, disrupting production and transport.

Well Group, one of the country's major industrial conglomerates, echoed the garment factory owner.

He said the situation is so bad that continuing business there has become a challenge. "I am disappointed with the sorrow state," Islam said.

Kalurghat is one of Bangladesh's oldest industrial hubs where the journey of the country's garment industry began and nearly 100,000 workers are now employed.

Islam has the highest 18 units, including that for garment manufacturing, spinning, food processing, yarn dyeing and weaving, in the industrial hub, exporting goods worth more than \$100 million from the factories every year.

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Western Marine hands over \$18m vessel built for Kenya

STAFF CORRESPONDENT, Cig

Western Marine Shipyard, the country's leading shipbuilder, yesterday handed over an offshore patrol vessel built for Kenya at a cost of \$18 million.

WMS constructed the vessel for its Danish buyer JGH Marine A/S, which will hand it over to the agriculture, livestock and fisheries ministry of Kenya.

The handover ceremony, which was attended by Finance Minister AMA Muhith, took place on a ship near the shipyard located on the eastern bank of the Karnaphuli river in Chittagong.

The 54.7-metre vessel with a maximum speed of 35 nautical miles per hour will be deployed in the maritime territory of Kenya to ensure security of the country's sea resources and expedite assistance in times of natural calamities.

The vessel named 'Doria' is equipped with fully automatic, centrally controlled and electro-magnetically compatible equipment with a helipad, said WMS officials.

"This is the first offshore patrol vessel built in Bangladesh. This is a milestone for the local shipbuilding industry," said WMS Chairman Md Saiful Islam at the ceremony.

The vessel was delivered at a time when the global shipbuilding industry is facing a prolonged slump in demand. Islam said the local shipbuilding industry needs policy support since the capital-intensive sector is facing challenges mainly because of unaffordable funds.



The ship built by Western Marine is seen anchored in the Karnaphuli river in Chittagong.

"If there is policy support for this type of of building 33 ships for countries such as Norway, the UAE, India and Denmark as well as some middle income country by 2021," he said.

Islam said when 30 percent shipbuilders in the world have gone bankrupt, WMS is in the process

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Two firms to take internet to 2,600 unions at Tk 378cr

REJAUL KARIM BYRON

Two private sector ICT companies -- Fiber@Home and Summit Communication -- will provide internet service in 2,600 unions, as the government goes about achieving its Digital Bangladesh vision by 2021.

The two companies, which were awarded the job last week by the cabinet committee on purchase, will provide internet connection, maintain and upgrade the optical fibre cable and active devices for 20 years. They will charge for internet at the government approved rate.

Fiber@Home has been given the responsibility of networking and connectivity-related work in 1,307 unions, for which the government will pay Tk 189.94 crore.

Summit Communication will do networking work in 1,293 unions for Tk 188.52 crore.

However, a portion of the two companies' revenue will have to be shared with the Bangladesh Computer Council (BCC) after a two-year grace period, according to the Information and Communication Technology Division.

After the two-year grace period, the companies will share 5 percent of their revenue with the BCC over the next four years, 3

percent the following four years, and 2 percent for the remaining 10 years of the contract.

The project is part of the government's master plan to develop countrywide ICT network, currently being implemented by the BCC.

Under the master plan, the government has also taken up a Tk 1,227 crore project for establishing a fibre optic cable network with soft loans from Chinese Exim Bank.

China's Exim Bank will provide about \$156.56 million as low-cost loans, as committed by Chinese President Xi Jinping during his Bangladesh visit last year.

An agreement is likely to be signed with Exim Bank in this regard, said a finance ministry official. The government has already appointed China Railway International Group for the project.

Countrywide fibre connectivity will be established by 2018, and this project is part of the government's efforts to build a Digital Bangladesh by 2021, said officials of the ICT Division.

The ICT division earlier completed phase-2 of the master plan for Tk 1,333.44 crore project, connecting 18,130 government offices through a nationwide network.

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NBR asks its intelligence wings to beef up vigilance

STAR BUSINESS REPORT

The National Board of Revenue (NBR) yesterday directed its intelligence wings to strengthen vigilance at the field level to identify money launderers.

The revenue authority in a statement also asked the Central Intelligence Cell, the Custom Intelligence and Investigation Directorate, and the VAT Audit Intelligence and Investigation Department to work in a coordinated manner to carry out drives against tax evasion.

"If necessary, conduct joint raids,"

NBR Chairman Md Nojibur Rahman said at a meeting with the heads of the three intelligence wings at the NBR headquarters yesterday, according to the statement.

Rahman in his eight-point instruction asked them to increase vigilance at sea, land and airports to prevent smuggling and speed up the investigation of complaints over income tax, VAT and import duty evasion.

He also suggested that the VAT intelligence wing strengthens its activities to curb VAT evasion.

Trade through Akhaura land port resumes as flood water recedes

OUR CORRESPONDENT, Brahmanbaria

Trade activities between Bangladesh and India through the Akhaura land port resumed yesterday morning after remaining closed for a day due to floods.

Incessant rain at Agartala in India caused the flood, which left nearly 6,000 people marooned across Tripura on Friday, the Hindu newspaper reported on Saturday.

At Akhaura, movement of passengers also began in full swing as the water level dropped yesterday.

The Akhaura customs office, the immigration, the land port and the check post of the Border Guard Bangladesh went under waist-deep water on Saturday, said Shafiqul Islam, assistant customs commissioner of the port.

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