

It's right time to develop capital market: Muhith

OUR CORRESPONDENT, Sylhet

Time has come to develop the investment market, said Finance Minister MA Muhith at the Investor and Entrepreneur Conference at Amanullah Convention Hall in Sylhet yesterday.

"The capital market is no longer a market for speculation and those who think like that, they are the enemy of

the market," he said.

The Bangladesh Securities and Exchange Commission (BSEC) also organised a fair to educate on investments at the same venue.

Muhith said investors and entrepreneurs should learn about the stock market and analyse the market's situation before going for investments.

The government has been strengthening the market for the last seven

years, he said.

He cautioned that people should invest with proper knowledge of the market, not blindly putting trust on fate as the market was very important for people's empowerment. M Khairul Hossain, chairman of the BSEC, also spoke at the conference.

Eight investment institutions participated at the fair to provide information to investors and entrepreneurs.

Grameen Bank on track to log its highest profit

FROM PAGE B1

As of 2016, the government received a total of Tk 25.23 crore in dividends against its total investment of Tk 20.58 crore in the bank in the last three decades.

The borrower-shareholders received Tk 185.15 crore in dividends against their combined investment of Tk 64.20 crore.

Grameen Bank's net profit came down sharply in 2015 following the implementation of the national pay-scale for its employees retrospectively. The lender had to spend Tk 450 crore on the additional salary expenses.

Last year, Grameen Bank, founded by Nobel laureate Muhammad Yunus, added about 10 lakh new members to take the total past 90 lakh.

The bank disbursed Tk 24,000 crore last year, up 28 percent from Tk 18,754 crore in 2016. Its outstanding loans rose Tk 2,600 crore in the year to stand at Tk 14,000 crore at the end of the year.

Last year, the bank, which has 99 percent loan recovery record, also recovered Tk 115 crore in bad loans.

The bad loan recovery was also the highest, and came on the back of year-long activities and monitoring of the

bank.

In a statement, the bank said 26 zones in which the bank operates were hit by floods earlier last year.

As a result, the bank had stopped collecting instalments in those areas and stood by the victims with relief and rehabilitation efforts such that the affected members can stand on their own feet at the earliest.

The bank has not resumed instalment collection in Sunamganj and Netrokona, the two most flood-affected areas, yet.

"The momentum will continue in 2018," Nag added.



SM Amzad Hossain, chairman of SBAC Bank, and Md Golam Faruque, CEO, pose with the bank's officials at its yearly business conference at Hotel Purbani International in Dhaka yesterday.

Businesses frustrated with lethargic reforms

FROM PAGE B1

He also suggested reducing the corporate tax rate as well as simplifying and streamlining the tax laws and administration.

"Two easy things are e-filing and e-payment. That will reduce a lot of harassment," he added.

Problems related to processes for doing business are quite well known, said Nihad Kabir, president of the Metropolitan Chamber of Commerce and Industry.

"We need practically-orientated, time-bound, measurable and implementation-capable plans. And the government and the private sector must sit together and do it. We have run out of time."

Citing Samsung's desire to invest in Bangladesh and subsequently shifting to Vietnam, Farooq Sobhan, president of the Bangladesh Enterprise Institute, said: "Success stories are important and understanding failure is also important."

Sobhan, also a former ambassador of Bangladesh, said foreigners are hired in industries because of a shortage of skilled workforce.

This result in the drain of foreign currencies out of the country, he said, citing that \$4 billion of remittance was sent to India from Bangladesh

through the official channel.

The total amount will be double if the transfers through the unofficial channels are taken into account, he added.

"Building human resources is important and yet nobody is putting attention to that," said Anwar-Ul-Alam Chowdhury, former president of the Bangladesh Garment Manufacturers and Exporters Association.

He went on to cite the case of Japan, which was once dependent on its garment industry. But the country invested on research and education to cut the dependence on the sector and diversify its industrial base.

"We are still dependent on the garment although 30-40 years have gone by. It is unfortunate."

In order to expand the industrial base, the mindset needs to be change, safety, energy and infrastructure ensured, and investment made on education, he added.

"Nothing will be possible unless we can ensure quality education," said Sohel Ahmed Chowdhury, a former commerce secretary.

Asif Ibrahim, former president of the Dhaka Chamber of Commerce and Industry, said 400 reform proposals were made from Business

Initiative Leading Development for private sector development.

"The window of opportunity is very short," he added.

BIDA Executive Chairman Kazi M Aminul Islam said a detailed plan of action has been prepared and this has been shared with the agencies for implementation.

Islam, while replying to comments from some discussants on the penalty and incentives for civil servants to ensure accountability, said: "Incentive is needed; not penalty."

PRI Executive Director Ahsan H Mansur said regulatory reforms are the key.

He also suggested the BIDA to take steps to receive feedbacks from the private sector about reforms and take a proactive role in resolving the problems.

"As this is the election year, difficult reforms cannot be done. But the government can take areas where win-win reforms are possible," Mansur added.

Reforms have helped India improve its doing business ranking, said M Masur Reaz, senior economist and programme manager of the World Bank Group in Dhaka.

"Political ownership was the most important part there."



Azharul Islam, chairman of Uttara Bank, attends the bank's "1st zonal heads' conference-2018" at the bank's head office in Dhaka yesterday. Mohammed Rabiu Hossain, CEO, was present.

Japanese investors gaining confidence: survey

FROM PAGE B1

Japan has been providing Bangladesh with nearly \$2 billion in soft loans every year since fiscal 2012-13.

In a report published on December 8, Japanese financial newspaper Nikkei Asian Review said Tokyo reached an understanding with Dhaka to build highways and other structures in Bangladesh under an exclusive arrangement.

Under the Matarbari Ultra Super Critical Coal-Fired Power Project, two 600MW powerplants will be built to generate 7,865GWh of electricity per year by 2026, said Japan's Foreign Minister Taro Kono in an interview with The Daily Star in November last year.

The Dhaka Mass Rapid Transit Development Project will establish an urban rail network aiming to eliminate traffic congestion by providing transportation to over 570,000 people every day by 2024. Japanese corporations took the contracts for both projects and are using high-quality technology, Kono said.

Bangladeshi garment manufacturers have been enjoying zero-duty benefit on apparel exports to Japan even in cases where the raw materials have been imported.

The number of Japanese companies operating in Bangladesh has more than tripled since 2008, reaching 253 as of May 2017, according to Jetro.

Availing the zero-duty benefit, Bangladesh's apparel export to Japan has been increasing rapidly, making it the largest export destination in Asia.

Export of garment products to the far-eastern nation, whose apparel market is worth about \$40 billion a year, raked in \$744.47 million last fiscal year, according to data from the Export Promotion Bureau.

Overall exports to Japan had declined 5.6 percent to \$1.01 billion in fiscal 2016-17.

Japan is the only destination in Asia where Bangladesh's overall exports crossed the \$1 billion mark in each of the previous two years. In first six months of the current fiscal year, Bangladesh exported garment items worth \$363.231 million to Japan.

Bangladesh accounts for 2.3 percent of Japan's annual garment import, growing by around 20-30 percent every year, according to Japan Textiles Importers Association.

Meghna Petroleum approves 110pc cash dividend

STAFF CORRESPONDENT, Ctg

Meghna Petroleum Ltd (MPL) has approved 110 percent cash dividend for 2016-17.

The announcement came at the company's 39th annual general meeting (AGM) at Chittagong Boat Club at Patenga in the port city yesterday.

Abu Hena Md Rohmatul Muneem, chairman of the company, presided over the AGM.

Directors Sayed Mohammad Mozammel Haque, Shankar Prashad Dev and Perveen Akhter were also present at the meeting.

The meeting also announced that the company earned Tk 219.48 crore as net profit with its earnings per share being Tk 20.28.

NRBC Bank gunning to impress in 2018

FROM PAGE B1

Its deposit base at the end of last year was Tk 4,711 crore. The bank will expand its loan portfolio to Tk 5,000 crore in 2018 from existing Tk 4,295 crore, Talha said.

The bank will put more focus on the SME sector, with the segment accounting for 50 percent of the total outstanding loans. At present, the SME sector accounts for 34 percent of NRBC's total loan portfolio.

In December last year, NRBC restructured its board of directors with the view to restoring corporate governance and depositors' confidence.

The new board headed by Parvez also sent the bank's Managing Director Dewan Mujibur Rahman on a three-month leave. Mohammad Shahid Islam has been made the vice-chairman, replacing Toufique Rahman Chowdhury.

BTRC lifts minimum speed limit for 4G

FROM PAGE B1

"Download speed is only a component of some other parameters of the quality of service and we are promising customers that they will get higher speed in 4G than 3G," said Mahmud Hossain, chief corporate affairs officer of Grameenphone.

There should be a realistic QoS directive where the BTRC will ensure customer benefits and at the same time address technical challenges, he said.

Another top official of a mobile operator said technically it was not possible to ensure 20Mbps in every geographical location in the country, he said.

even if a single operator acquires all the spectrums the BTRC is set to auction off.

"We want a realistic proposition about the 4G directive, as there are some other issues in it and the operators are not comfortable about them," said the official.

The operators raised the issues with the BTRC to have them resolved. One concerns value added tax (VAT).

The BTRC collected VAT from the operators on different occasions in the past but could not give acknowledgement receipts as the National Board of Revenue had not authorised it to do so.

The government has fixed 15 percent VAT for 4G spectrum charge and licence fees. For 3G, it was 5 percent.

If the money collected is not recorded as VAT, rebates can't be claimed, said a senior executive of a mobile operator seeking not to be named.

"It will increase our costs by 15 percent. We need to resolve the issue before moving to 4G," added the executive.

Mahmud said the BTRC was very serious on the long pending issue. "Within a short time we will sit with the attorney general's office to find a solution."

ADP spending rises 32pc

FROM PAGE B1

The power division spent the highest 57.02 percent followed by the local government division 36.27 percent, the ICT division 33.36 percent, the agriculture ministry 33.34 percent, the road transport and highways division 30.14 percent, and the primary and mass education ministry 24.93 percent.

On the other hand, some ministries and divisions that have been implementing a number of mega projects had a lower implementation rate than the average progress of 27 percent.

One of them is the bridges division, which is implementing a num-

ber of mega projects including the Padma bridge. The division could spend only 23.60 percent of the allocation it received in the July-December period.

The railways ministry also implemented only 10.91 percent against an allocation of over Tk 12,397 crore, of which Tk 7,000 crore is meant for the Padma rail link project.

An official of the ministry said China Exim Bank would finance the Padma rail link project. But with the loan agreement yet to be signed between the railways ministry and the Chinese Exim Bank, work is not progressing at the desired rate.

The budget set aside Tk 10,502 crore for the science and technology ministry, with a majority of the fund going to the Rooppur nuclear power plant project.

In the first six months, the ministry spent only Tk 1,950 crore, which is 18.56 percent of the allocation.

The health services division spent 20 percent, the secondary and higher education division 22.50 percent, the housing and public works ministry 20.94 percent, the shipping ministry 14.96 percent, the energy and mineral resources division 19.79 percent and the water resources ministry 14.96 percent.



Celebrated Rabindra Sangeet artist Rezwana Chowdhury Bannya, Ahsan Khan Chowdhury, CEO of Pran-RFL Group, Eleash Mridah, managing director of Pran Group, and Uzma Chowdhury, director for corporate finance at the group, pose with winners of the "11th Pran National Pickle Competition-2017" at Bangabandhu International Conference Centre in Dhaka on Friday. Twelve women were adjudged winners while another 35 were presented complimentary awards in four categories -- sweet, sour, hot and mixed -- among 3,692 participants. The "pickle of the year" award along with Tk 2 lakh was presented to Sharifa Akter Panna of Sunamganj.

Western Marine to export \$250m worth of vessels in 5yrs

FROM PAGE B1

Western Marine has so far exported its produce to companies in Germany, Denmark, Finland, New Zealand, Ecuador, Tanzania, Pakistan, Gambia, Uganda, India, Kenya and the UAE.

At the Dhaka Stock Exchange, the company's share traded at Tk 29.90 on January 18.



SK Sur Chowdhury, deputy governor of Bangladesh Bank, and Syed Waseque Md Ali, managing director of First Security Islami Bank Ltd (FSIBL), inaugurate "School Banking Conference 2018" at Seagull Hotel in Cox's Bazar on Friday.