

STOCKS		COMMODITIES		ASIAN MARKETS		CURRENCIES					
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY
▼ 0.70%	▼ 0.54%	\$1,302.60 (per ounce)	\$67.50 (per barrel)	▼ 0.21%	Closed	▼ 1.10%	▲ 0.64%	82.50	98.10	111.52	0.74
5,698.68	10,639.46			35,103.14		3,575.68	3,100.66	BUY TK	83.50	101.70	115.12
								SELL TK	83.50	101.70	115.12

আপনার কক্ষজিত সঞ্চয়ের
সর্বাধিক নিরাপত্তা ও সর্বোচ্চ মুনাফার জন্য
এসআইবিএল-এ আমানত রাখুন।

০৯৬৯২০০৯২২
ফোন: ১৬৪৯৯
www.sibibd.com

SIBL
সিবিএল

আমরা দিচ্ছি শ্রীআ হ ডিভিক সর্বাধুনিক ব্যাংকিং সেবার প্রতিশ্রুতি

Star BUSINESS

DHAKA FRIDAY MAY 4, 2018, BAISHAKH 21, 1425 BS • starbusiness@thedailystar.net

Tussle over DSE stake ends

Shanghai, Shenzhen now Dhaka bourse's strategic partner

STAR BUSINESS REPORT

Bangladesh's capital market stepped into a new era yesterday after the stock market regulator gave the green light to the proposal from a Chinese consortium to become the Dhaka Stock Exchange's strategic partner.

The consortium of Shenzhen Stock Exchange and the Shanghai Stock Exchange, which managed to fend off advances from another consortium led by the National Stock Exchange of India for the 25 percent stakes of the DSE, will purchase 45 crore shares for Tk 21 each.

"This will open a whole new window -- foreign investors will now be attracted to the capital market," said KAM Majedur Rahman, managing director of the DSE, adding that the deal will be inked on May 14.

The country's premier bourse's hunt for a strategic partner began in June last year as part of its conditions for demutualisation in 2013.

Demutualisation separated the



AT A GLANCE

- DSE called tender in November 2017 to get strategic partner
- A Chinese consortium proposed Tk 22 for each share of DSE along with technical support worth of \$37m
- An Indian consortium proposed Tk 15 for each share
- DSE board approved the proposal of the Chinese consortium on February 10 and forwarded it to BSEC
- Regulator asked DSE to send a revised proposal on March 19
- DSE sent its revised proposal on April 30

bourse's management from ownership, and was a major recommendation of the stock market probe conducted by a government panel in the aftermath of the market crash of 2011.

When the DSE invited tender for strategic partner in June last year, it received a single proposal from a local investor, a consortium of LankaBangla Finance and Delta Life Insurance.

READ MORE ON B3

Bangladesh to get five more hi-tech parks

MUHAMMAD ZAHIDUL ISLAM

Bangladesh is on the way to get five more hi-tech parks as top officials of the Bangladesh Hi-Tech Park Authority and the World Bank sit in Cox's Bazar today to negotiate an estimated \$122 million fund.

With this, the number of government hi-tech, software and IT parks will rise to 33, said senior officials of the park authority.

Hosne Ara Begum, managing director of the park authority, said it sent the proposal to the Economic Relations Division in the last week of March and the latter completed the formalities and immediately placed the request with the WB's Dhaka office.

"We hope that the formalities will be completed within a short time after successful negotiations and then we will move for establishing the parks as soon as possible," she said.

READ MORE ON B3

Project funds to move fast now

REJAUL KARIM BYRON

From next fiscal year, development projects will see half their allocations for the year automatically deposited into the accounts without the need for any paperwork as the government looks to enhance utilisation of development funds.

At present, the ministries and divisions have to seek the finance division's signature each quarter for the funds to be released, a tedious process that has often been blamed for slow implementation of projects.

But at a high-level meeting of the budget preparation committees, which was presided over by Finance Minister AMA Muhith, earlier this week, it was decided that on the first of July and October the allocations for the first and second quarters will be transferred respectively.

For third quarter's funds, consent of the line ministry is required; for fourth quarter, finance division's permission is needed.

The meeting observed that every year there is a shortage of funds for revenue budget implementation, whereas on average 17 percent of the funds for development budget remains unused.

The ministries and divisions cite various reasons, one of which is that the

finance division delays in releasing the money.

In this context, a decision has been taken such that funds for the first two quarters are sent to the accounts without any exchange of letters.

In the first nine months of the current fiscal year, only 45.65 percent of the total allocation for the development budget has been used, which is more or less the same as in the previous three years.

Also at the meeting, it was decided that the budget for fiscal 2018-19 will be Tk 4.6 lakh crore.

The size of the annual development programme for next fiscal year may be Tk 1.73 lakh crore, said a finance ministry official who was present at the meeting.

On the other hand, the total revenue collection target may be set at Tk 3.4 lakh crore, of which the National Board of Revenue will shoulder Tk 2.9 lakh crore.

In the safety net programme the number of beneficiaries will be increased but the amount of benefit received by each will remain same.

Fuel subsidy will return after a gap of few years as the price in international market has increased. The Bangladesh Petroleum Corporation has already sent a proposal in this regard.

READ MORE ON B3

Remittance soars for 7th month straight

STAR BUSINESS REPORT

Remittance maintained its upward trend for the seventh month after inflows in April soared 21.10 percent to \$1.32 billion, propelled by the depreciation of the taka against the US dollar.

On April 30, the interbank exchange rate was Tk 82.99, which was Tk 80.23 a year earlier.

Remittance is a major source of foreign currency for Bangladesh and its descent since fiscal 2015-16 became a matter of

concern for the government. Last fiscal year, the receipts were the lowest in six years.

April's inflows, which are higher than the previous month's by 2 percent, take the current fiscal year's receipts so far to \$13.27 billion, up 17.15 percent year-on-year.

"Bangladeshis living abroad are remitting more money through the formal channel," said Syed Mahbubur Rahman, managing director of Dhaka Bank.

The majority of the banks are facing a shortage of greenback for the last few months due to spiralling import payments against lower export earnings.

So, the banks are putting in their best efforts to bump up remittance inflows through their respective channels, said Rahman, also the chairman of Association of Banks, Bangladesh, a forum of banks' chief executives.

"Many banks are now offering higher rates against the remitted greenbacks to encourage the non-resident Bangladeshis to send their money through them."

READ MORE ON B3

REMITTANCE INFLOW

in billion \$, SOURCE: BB



Kobsak Pootrakool, a minister attached to Thai Prime Minister's Office, speaks at a discussion on Thailand-Bangladesh business opportunities organised by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) at its office in Dhaka yesterday. Shafiul Islam Mohiuddin, president of FBCCI, seated third from left, was present.

Bangladesh a key source market for medical tourism

CEMS Global says at the opening of expos on health tourism

STAR BUSINESS REPORT

There are some countries which largely depend on Bangladesh for medical tourists and selling health service related equipment, experts said yesterday.

To cash in on the growing demand from Bangladesh's rising middle-income people, some hospitals of India, Thailand, Singapore and Malaysia have either opened their liaison offices or hooked clients through their consultants in Bangladesh, they said.

They were addressing the opening of three exhibitions—11th Meditex Bangladesh, International Health Tourism and Services Expo and 4th Bangladesh Clinical Lab Expo—organised by CEMS Global at International Convention City Bashundhara.

"On an average 1,000 Bangladeshis go to India daily to take treatment," Padam Vanish, director of Indian consultancy firm VAP Global, said after opening the shows. Some 120 companies from 18 countries, including Japan, Korea, Germany, China, Taiwan, Italy and France, have set up 170 stalls in the fairs.

Most of the people have no idea about the hospitals and doctors they need to meet in India for treatment, Vanish said.

"For this reason, we opened an office in Dhaka three months ago to provide Bangladeshis with information."

"On an average 100 people visit our Dhaka office every day to know about hospitals and doctors in India," Vanish said.

VAP Global has already established connections with around 80 hospitals in India, where it refers patients and talks on behalf of them, he said.

Apollo Hospitals of India has opened its local office in Dhaka to provide services to Bangladeshi patients who want to go to its medical institute in Chennai.

READ MORE ON B3

Effective taxation lowers tobacco use: analysts

STAR BUSINESS REPORT

Raising prices of tobacco products through effective taxation leads to a cut in consumption, said anti-tobacco campaigners yesterday.

Quoting studies, they said if effective taxation increases the real price of tobacco products by 10 percent, its use goes down by 5 percent in low and middle-income countries.

But tobacco prices, in real terms, have not increased in Bangladesh because of the lack of an effective taxation system. Rather tobacco products have become cheaper in recent years.

The comments came at a pre-budget press conference titled "The tobacco tax we demand" at National Press Club in Dhaka. PROGGA, which works on advocacy, research and capacity development, and Anti-Tobacco Media Alliance jointly organised the event.

In a statement, Nasiruddin Ahmed, a former chairman of the National Board of Revenue, said public health should be given priority during the imposition of taxes on tobacco products, not the additional revenue that comes from it.

READ MORE ON B3

Govt plans big for LNG: state minister

STAR BUSINESS REPORT

The government has a robust plan for liquefied natural gas as a new era has begun with the arrival of the country's first consignment of imported LNG, State Minister for Power and Energy Nasrul Hamid said yesterday.

"We want to go big in LNG because the financing is available. LNG is technologically better, as the cleaner energy needs less land."

He spoke at a seminar on "LNG import: opportunities and challenges", at the Dhaka Club. The Forum for Energy Reporters Bangladesh (FERB) organised the discussion.

The comments from the state minister came as the first shipment of LNG has reached the Bay of Bengal; the LNG would be supplied to the national grid from this month.

Excelerate Energy Bangladesh Ltd has set up a floating storage and regasification unit-based LNG terminal with a capacity of pumping 500 million cubic feet gas a day (mmcf) into the network.

Hamid said the introduction of LNG would create huge opportunities for factories whose production has long been affected due to the lack of adequate energy supply.

He also admitted that the country was late in exploring its energy potential in the Bay. "We should immediately go for a multi-client survey and float tender for the sea blocks."

Hamid said the government also plans to allow electric vehicles as this mode of transportation would rule the

roads in the coming years.

He said inefficient power plants would be phased out as part of the government's plan to bring down oil-based power production to 10 percent in four to five years from 35 percent now.

The government and industry owners should sit together so a good retail price for LNG can be finalised because this is a national issue, said M Tamim, a professor of the petroleum and mineral resources engineering of Bangladesh University of Engineering and Technology.

He also said there is no point to stop supplying gas to households.

M Mukhtadir Ali, a former chairman of Petrobangla, called for strengthening state-run Bangladesh Petroleum Exploration and Production Company Ltd.

"If we can't strengthen Bapex, the country's energy security will not be ensured."

Prof M Shamsul Alam, energy adviser of the Consumers Association of Bangladesh, said Bangladesh would not be able to overcome the current energy crisis even if 500mmcf of gas is imported.

"The existing consumers would get more gas while additional gas will be required as the government plans to provide new connections."

According to official data, around 16 percent of all gas goes to households, but the actual figure would not be more than 5 percent, he said.

Many factories and industrial units use stolen gas, Alam said. So, the government will not need to implement its current plan of raising gas price if the theft could be prevented.

READ MORE ON B3

Tofail seeks duty-free access of apparel to Thai market

STAR BUSINESS REPORT

Commerce Minister Tofail Ahmed yesterday sought duty-free benefit from Thailand for 36 more products, including garments and medicine.

He made the demand at a meeting with Kobsak Pootrakool, a minister attached to Thai Prime Minister's Office, at the secretariat in Dhaka yesterday.

Currently, Thailand is providing duty-free access for 6,998 Bangladeshi items, according to a statement of the commerce ministry. However, garments that account for 81 percent of Bangladesh's total exports are not on the list of these products.

Ahmed also called upon Thai investors to invest in the pharmaceutical sector of Bangladesh.

If Thai investors put in money in the pharmaceutical industry they will be able to enjoy cash incentive while exporting products, he said.

Thailand has already invested \$1.5 billion in Bangladesh.

Investors from Thailand will be allocated a special economic zone if they want to invest here, according to the statement.

In 2016-17, Bangladesh exported products worth \$48.57 million to Thailand and imported products of \$781.6 million from the country, according to the commerce ministry.

READ MORE ON B3

RANCON INDUSTRIAL SOLUTIONS

INDUSTRIAL AIR CONDITIONING SOLUTIONS

SUITABLE FOR COMMERCIAL BUILDING, FACTORY, OFFICE, HOSPITAL ETC.

SAMSUNG Midea

CALL FOR DETAILS +88 01701 203649