

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
Week-on-week	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY
▲ 0.01%	▼ 0.42%	\$1,209.21 (per ounce)	\$70.18 (per barrel)	▼ 0.22%	▼ 1.05%	▼ 0.49%	▼ 1.39%	BUY TK 82.90	93.94	108.20	0.71
5,259.11	9,753.29			35,158.55	22,250.25	3,077.97	2,598.87	SELL TK 83.90	97.74	112.00	0.75

মুনাফার সাথে আস্থতাও বেশি

বেশি মুনাফা ১%

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## Coastal belt holds wind power prospects: study

**SOHEL PARVEZ**

Bangladesh's southern coastal belt offers potential for generating power through wind, according to a recently published study by the US Department of Energy's National Renewable Energy Laboratory, raising hopes of meeting the government's renewable energy goals.

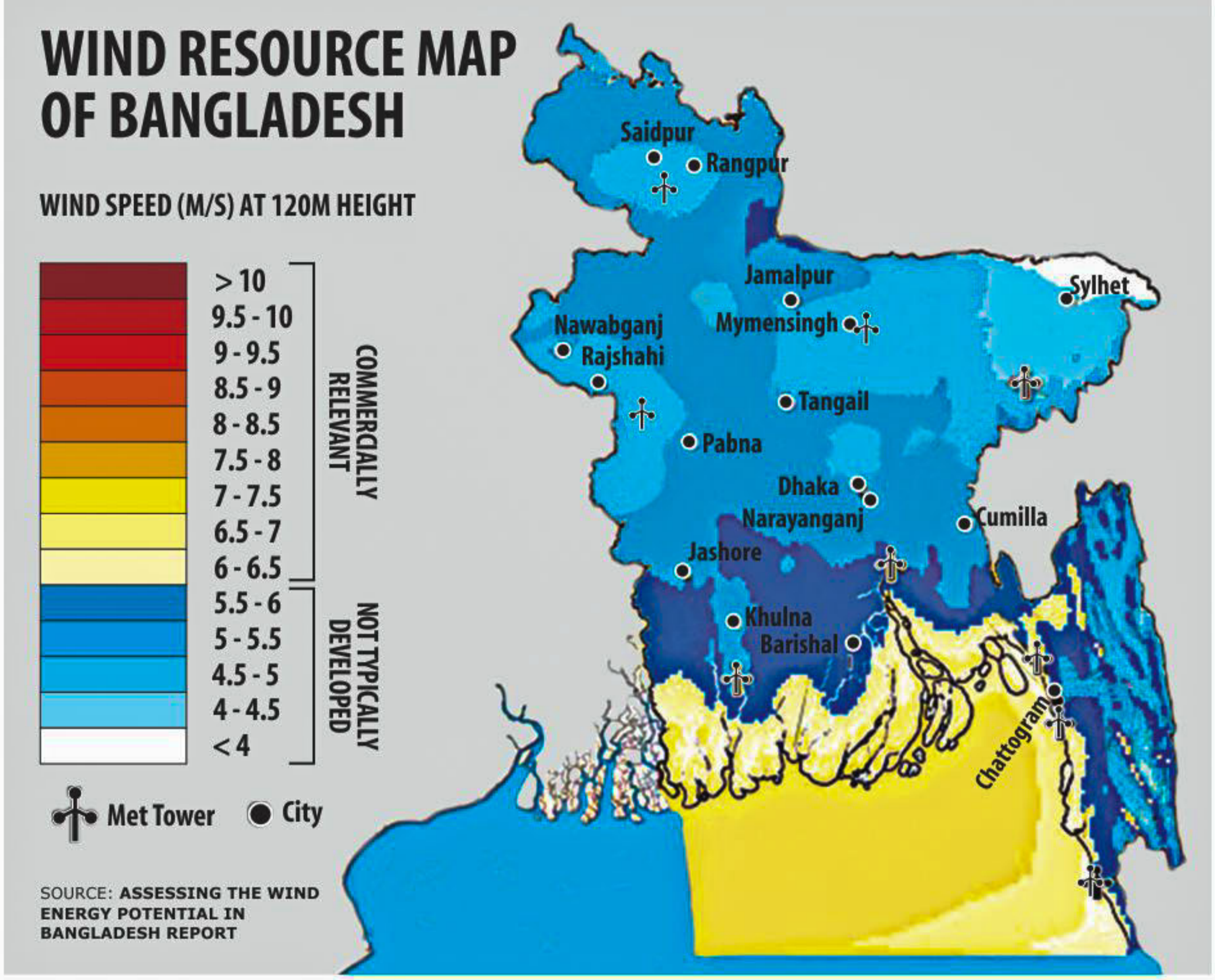
The government has targeted to generate 2,470 megawatts of electricity by 2021 through renewable sources, 1,153MW of which was supposed to have been achieved by this year. In reality, the government is nowhere near hitting that target.

The study, carried out on behalf of the power division, found that coastal areas of Khulna, Barishal and Chattogram divisions have more than 6 metres per second (m/s) wind speed at 120-metre height, sufficient for generating electricity from wind turbines.

For wind speeds of 5.75-7.75 m/s, there are more than 20,000 square kilometres of land with a gross wind potential of more than 30,000MW, said the report styled "Assessing the Wind Energy Potential in Bangladesh".

"Although this estimate is not realistic when proper filters are applied to screen out undesirable land for wind development, it suggests that Bangladesh's 10 percent renewable target by 2021 is achievable," the report said.

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## One-third life insurance claims unsettled: IDRA

MetLife has the highest amount of unsettled claims

**JEBUN NESA ALO**

Some 33 percent life insurance claims in Bangladesh remain unsettled thanks to weak financial health and lack of governance, and in the process erode people's trust in insurers.

Of the total insurance claims of Tk 2,760 crore of the 32 life insurance companies as of March, 67 percent were settled, according to an evaluation report of the Insurance Development and Regulatory Authority (IDRA).

The remaining claims of Tk 914 crore have remained unsettled.

Some 11 companies were blamed for the low settlement rate: BAIRA Life, Golden, Homeland, Meghna, MetLife, Progressive, Rupali, Padma Islami, Sunlife, Sunflower and Fareast Islami Life Insurance.

American MetLife, which dominates the insurance sector with a 39.27 percent market share, has the highest rate of unsettled claims: 46 percent. As of March, the company has unsettled claims amounting to Tk 310.6 crore.

A huge amount of unsettled claims pushed owners of Padma Islami Life Insurance to sell their shares to S Alam Group, which recently bought 45 percent stake into the company. Its claim settlement rate was 82 percent, with Tk 28.12 crore in unsettled claims.

Among the claims, the settlement of death claims was the lowest at 55 percent.

As of March, there were death claims of Tk 133.68 crore, 44.89 percent of which remain unsettled, the report said.

There were maturity claims worth Tk 1,626 crore until March, 68.36 percent of which was settled.

In a life insurance policy with maturity benefits, the insured will be entitled to claim maturity benefits if he/she outlives the term of the policy.

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## Bank Asia brings banking services to apparel workers

**STAFF CORRESPONDENT, Gazipur**

Bangladesh's efforts to deepen financial inclusion took a step forward yesterday as Bank Asia launched the country's first-ever complete banking services on the premises of a garment factory.

The "RMG Digital Banking Booth" was set up at Echotex Ltd in Gazipur where garment workers will receive full-fledged banking services. Echotex is a top enterprise with facilities for knitting, dyeing, digital and screen printing, laundry and garmenting.

Rumee A Hossain, chairman of the executive committee of the board of the private commercial bank, inaugurated the booth.

Md Arfan Ali, president and managing director of the bank, said the service is the first of its kind in the country.

"This is a complete banking booth and a branch. Workers will receive credible and complete service. We are doing it as part of our corporate social responsibility."

Bank Asia

The bank said the goal of the banking service is simple: every garment worker will open a bank account and get easy and effortless services.

Thanks to the booth, garment workers can enjoy services such as cash withdrawal and deposit, transfer of funds and mobile phone top-up, according to a statement.

The bank said the RMG digital banking booth will work as a key enabler for achieving the financial inclusion goals of the government.

Hossain said the main reason behind the problems in the banking industry is that banks only lend to industrialists. "We have to provide loans to small customers as well."

Ali said: "Bank Asia intends to amplify the project to lend a hand to the thousands of garment workers who are contributing to Bangladesh's economic growth as we believe it is our moral responsibility to serve them."

Eighteen garment factories are in the process of taking the service of Bank Asia, according to the statement.

Md Nasir Uddin, a director of the Bangladesh Garment Manufacturers and Exporters Association, called the opening of the booth good news for garment workers.

Mohammad Bin Kashem, a director of Echotex, said: "It is a remarkable step to improve the lifestyle of the garment workers."

## DSE STAKE SELL-OFF

# Not all brokers jumping at tax waiver

**AHSAN HABIB**

Some 21 percent of the stockbrokers do not want to invest the amount they got from the Chinese consortium in the stock market, preferring instead to pay the 15 percent capital gains tax.

The 250 stock brokers of the Dhaka Stock Exchange got Tk 962 crore by selling 25 percent stake, or 45.09 crore shares, to the consortium of the Shanghai Stock Exchange and the Shenzhen Stock Exchange.

Of the amount, Tk 15 crore has been deducted as stamp duty, leaving Tk 947 crore for the stock brokers.

At present, the tax on the profits made from the sell-off of an asset like stocks, bond and so on is 15 percent.

With a view to shoring up the capital market, which has been depressed since the turn of the year, the National Board of

Revenue came up with the tax waiver package but with the condition that the proceeds from the sell-off be kept in the market.

If the stock brokers plough back the amount they received from the Chinese consortium into the stock market and lock it down for at least three years, the capital gains tax for them would be 5 percent.

So far, 186 of the stock brokers have

BY THE NUMBERS	
Total stock brokers:	250
Number of brokers that got funds from DSE stake sale:	186
Brokers that took 5pc tax benefit:	113
Brokers who turned down tax benefits:	39
Brokers that made no capital gain:	34

received their amounts from the stake sell-off and 39 do not want to lock down their windfall in the stock market.

This means, almost Tk 140 crore of the proceeds from the stake sell-off will not come back to the market.

"It is disappointing," said a high official of the Bangladesh Securities and Exchange Commission.

One of the brokers who paid the 15 percent capital gains tax said, on condition of anonymity, that he did not want to keep the amount in the stock market for three years as he apprehends the current bear run will prolong.

Since the turn of the year, investors lost Tk 45,813 crore. The DSEX, the benchmark index of the DSE, dropped 1,021 points since January 1. The broker said he has a plan to invest the money elsewhere, so he paid the full tax.

Another broker said the country's political situation is not looking stable, so he did not want to take a risk.

"It's a personal decision whether they take the tax waiver and pour the money into the stock market or not," said Mostaque Ahmed Sadeque, president of the DSE Brokers Association, which lobbied the finance minister for the tax privilege.

However, he thanked the government for offering the facility as it has created an opportunity to bring in some fresh funds to the market. DSE data showed 113 brokers have received their money by paying 5 percent tax, while 34, who each received cheques of Tk 3.78 crore, paid no tax as they made no capital gain from the transaction with the Chinese consortium.

Some 64 brokers have not collected their cheques yet as they are still undecided, said a high official of the DSE.

"They are waiting on the political situation," he added.

## Indiscipline in economy to slow SDG progress

Economist says at BEA seminar

**STAR BUSINESS REPORT**

The rampant indiscipline in the economy would turn out to be a big impediment to achieving the Sustainable Development Goals, said a noted economist yesterday.

In Bangladesh a single man can own 5 to 6 banks and big loan defaulters remain untouched, said Qazi Kholiquzzaman Ahmad, chairman of Dhaka School of Economics, at a seminar on implementing the SDGs, organised by the Bangladesh Economic Association (BEA).

"This type of economic invasion is surely a big impediment to achieving the SDGs. If this type of ailment in the market economy continues, I am doubtful how the goals will be achieved."

No big loan defaulter here gets exemplary punishment, said Ahmad, also the chairman of Palli Karma-Sahayak Foundation, while calling for reforms in the financial sector with urgency.

He said the government should focus on improving inclusiveness in the economy, spending more on research, speeding up project implementation, keeping political stability and assuring good governance.

The world economy runs on capital-

ism that promotes privatisation, said Abul Barkat, president of the BEA, adding that it would be next to impossible to achieve the SDGs in this backdrop as the goals were made 'for all'.

A robust coordination mechanism is essential to achieving the best possible targets, he said.

He also emphasised on ensuring that the fruits of the solid GDP growth are evenly distributed. "Otherwise, whether it grows at 10 percent or 5 percent, it will have no impact."

Md Tafazzul Islam, former chief justice, echoed the same.

"The Bangladesh economy is growing very fast but the poor are becoming poorer and the rich are becoming richer," he said, while urging the government to think of ways to rein in the rising inequality.

He also said the high cost of the large infrastructure projects when compared with those in other countries may create a burden for the next generation.

"Our policymakers should consider how the projects can be completed at lower costs but higher quality," Islam added.

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