

**Bank Asia gets independent director**



STAR BUSINESS DESK

Dilwar H Choudhury has recently been elected independent director of Bank Asia. He is a recognised professional banker having 35 years of work experience in eight different countries of Asia, Europe and Africa, the bank said in a statement yesterday. Choudhury was managing director (current charge) of City Bank. He also worked as chief executive officer of three different banks in Turkey, Pakistan and Bangladesh. He had also worked as a banking associate of KPMG, Dhaka under the World Bank's Financial Sector Reform Program during 2004-2005.

**Top IMF economist predicts 'sharper' US slowdown in 2020**

AFP, Washington

Americans will begin feeling the effects next year of a marked slowing in world economic growth but should be spared a new recession, the chief economist of the International Monetary Fund said in remarks published Sunday.

"We have long been predicting somewhat lower (US) growth for 2019 than what we are seeing this year," as the effects of the Trump administration's fiscal and budgetary measures begin to fade, IMF chief economist Maurice Obstfeld said.

He was speaking in an interview with the Wall Street Journal and the Financial Times, just days before he is to retire from the world body.

The slowdown "is going to be sharper probably in 2020 than in 2019, according to the data we are seeing," Obstfeld said.

The IMF has already revised downward its 2019 growth prediction for the US, to 2.5 percent from the 2.8 percent expected for this year.

"For the rest of the world there seems to be some air coming out of the balloon," he said, pointing to weaker than expected third-quarter economic results in Asia and Europe. "That will come back and also affect the US."

As he has for months, Obstfeld again deplored the trade frictions -- notably between the United States and China, but also between the US and other trading partners, including Europe -- that threaten global growth.

But he ruled out the possibility that the world might see another Great Depression, as it did in the 1930s, when "trade absolutely collapsed under the pressure of trade restrictions."

"I see the tensions now as being possibly damaging because so much of global investment and production is tied up in trade," he said, "but not liable to the kind of collapse we saw in the 1930s."

Obstfeld will be succeeded at the IMF by Harvard professor Gita Gopinath.

In a separate interview with CBS, IMF managing director Christine Lagarde again deplored the trade tensions that have brought steadily increasing tariffs.

Asked about the recent anti-government protests in France, she said there was "no doubt" they would have an economic impact.

"Those are very sad images," she said of the globally televised pictures of vandalism and violence on the streets of the French capital.

"I'm a true Parisian, and to see what's happening in Paris is extremely sad."



**Qazi Kholiqzaman Ahmad, chairman of the governing council of the Dhaka School of Economics (DScE), speaks at a press meet on "Higher education at Specialised Economics Field" organised by the DScE in Dhaka yesterday. Muhammad Mahboob Ali, coordinator for entrepreneurship economics programme at DScE, was present.**

DHAKA SCHOOL OF ECONOMICS



FOODPANDA BANGLADESH

**Foodpanda Bangladesh co-founders and managing directors Ambareen Reza and Zubair Siddiky celebrated the company's 5 years of operations at its head office in the capital's Gulshan on Sunday.**

**VAT rates to be multiple**

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TÜV SÜD Bangladesh Pvt Ltd, a global certification, testing and auditing firm, and Somoy Media Ltd followed suit.

In trading, SC Johnson Pvt Ltd, Wärtsilä Bangladesh Ltd and KCJ & Associates Ltd were the top three companies.

Muhith also suggested abolition of tariff value or VAT rates based on administered-prices.

"Tariff rate is a very distorted system. It must be totally eliminated. If the price of a product is very high, the VAT should be zero."

Iqbal Mahmood, chairman of the Anti-Corruption Commission, suggested the NBR improve system and reduce the discretionary power of revenue officials.

"People want to pay tax and it is necessary to lessen their fear."

Mahmud was also critical of the prevalence of package VAT, which allows paying a fixed amount in VAT instead of VAT on the actual sale.

"The package VAT is a problem. You have to streamline the system,"

Mahmood said.

This was the 13th year the NBR acknowledged the highest VAT-paying firms in an effort to boost collection from VAT, now the biggest source of revenue followed by income tax and customs duty.

In 2017-18, VAT accounted for 38 percent of the total tax collection of Tk 206,407 crore. The NBR has been tasked with raising the collection by 39 percent in the current fiscal year.

NBR Chairman Md Mosharrar Hossain Bhuiyan chaired the event, which was organised as part of the VAT Day and VAT Week.

In Chattogram city, the Customs, Excise and VAT Commissionerate awarded seven firms at a ceremony at the World Trade Centre, reports our staff correspondent.

The awardees are Chowdhury Tea Warehouse, AM Channel, Sayeman Beach Resort, Hotel Niloy, Rubel Enterprise, Rana Enterprise and Hotel Hill View.

The award aims at encouraging compliance and raising awareness as tax evasion and avoidance is believed to be rampant.

**Paintmakers' body gets new top brass**



STAR BUSINESS DESK

Rupali Chowdhury, managing director of Berger Paints Bangladesh Ltd, has recently been elected president of Bangladesh Paint Manufacturer's Association (BPMA) for 2019-2020.

The association also elected Asaduzzaman Shahid Khan, managing director of Duncan Paints Ltd, as general secretary.

The election took place at the 41st annual general meeting of the company in Dhaka, says a statement.

Shafiqullah Khan (Pailac Paint) became senior vice president of the association while Nuruzzaman (Imperial Paint), Abdur Rahman (Anchor Paint) and Hamidul Islam (Ujala Paint) have been elected vice presidents.

**SoftBank to raise \$23b on Japan mobile unit IPO**

AFP, Tokyo

Telecoms giant and technology investor SoftBank Group aims to raise over \$23 billion by listing its Japanese mobile unit next week in one of the biggest tech IPOs in years.

In a statement, the group confirmed Monday it had formally decided to offer 1.76 billion shares, more than a one-third stake, in the SoftBank Corp mobile unit, with shares priced at 1,500 yen (\$13) each.

The offering includes 160 million shares added on strong demand.

The IPO will help raise funds for the company as it increasingly transforms into an investment firm, ploughing money into a broad range of companies and projects around the world.

The statement confirms the temporary offer price set in November, despite recent stock market sell-offs on worries over the US-China trade row, the health of the world's biggest economy and Britain's exit deal from the European Union.

After the listing in Tokyo on December 19, SoftBank Group will hold some 63 percent of the mobile unit.

**First-time voters seek job guarantee**

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Mohammad Arif, another student, alleged that people could not go to polling centres during the general election of January 5 in 2014.

People could neither exercise their voting rights in the mayoral election of Gazipur City Corporation, he said, asking whether a similar situation would recur in the upcoming general election in December 30.

Replying to Arif's question, another young barrister, Tawfique Rahman, said in this digital era people have smartphones in their hands.

"So this time nobody can stop the people from exercising their voting rights. The musclemen cannot create bar entrance to polling centres on the election day. If we are barred from exercising voting rights, we will prevent it," he said. Ayesha Khatun, a lawyer, demanded a stop to harassment of people of minority communities who are also citizens of the country.

"We want a positive Bangladesh," said Ferdous Ahmed, a film actor. "Vote is your power," he said. He suggested young people to shed all fears and go to polling centres early in the morning to cast votes.

Shakib Al Hasan, a national cricketer, advised young people to open businesses and provide jobs to the unemployed rather than going out in search of jobs themselves.

Shafiqul Islam Mohiuddin, president of the Federation of Bangladesh Chambers of Commerce and Industry, said people rejected the old practice of burning cars on the streets.

"We have learnt traffic laws from the

street protest of students taking place a few days ago," he said.

"We are also fighting and raising our voice to exercise our voting rights," said Mohiuddin. He advised students to acquire quality education and gather knowledge in business after graduation.

Ferhat Anwar, director of the Institute of Business Administration of the University of Dhaka, said this time the future of Bangladesh is in the hands of young people.

"Now you decide what you will do and what you will not do. By 2041, the young generation of today will be the leaders of the country so your decision is very important," Anwar said. Nihad Kabir, president of the Metropolitan Chamber of Commerce and Industry, reminded that it was the month of victory.

"We are in favour of peace. We fought in 1952, demonstration in the 60s, fought in 1971 and restored democracy. If you stay at home, you will not get peace, you will have to be on the streets and continue efforts to get peace," Kabir said.

"If we continue our hard work, peace will be restored in Bangladesh," she said, adding that the election this year would be held peacefully after five years as per rules of the country.

Abul Kasem Khan, president of the Dhaka Chamber of Commerce and Industry, said everyone should truly love the country.

"If we can love the country, we can do a lot of things for the country. Our first priority should be to love the country. You will cast your own vote. Casting votes is your own right," Khan said.

**Accord hearing deferred again**

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"The Accord seeks hearing on the leave to appeal and stay application currently before the Honourable Supreme Court, Appellate Division."

Earlier on December 6, the SC had extended the tenure of Accord and also fixed yesterday for further hearing of an appeal filed by the agency, Accord on Building and Fire Safety in Bangladesh.

The appeal was filed challenging a High Court directive that asked Accord to stop its activities after November 30.

The Accord conducts inspection and remediation activities for more than 200 global clothing retailers and brands. Additional Attorney General Murad Reza represented the government. Earlier in the hearing of December 10, the state counsel gave eight conditions under which Accord could stay in Bangladesh.

The conditions include one barring the platform from interfering in the labour issues in Bangladesh. Another says it cannot add new repair works in factories that are conducting remediation works as per the recommendations of Accord engineers.

As of November, the Accord-affiliated factories have completed 90 percent of remediation works. Of the nearly 1,600 factories inspected, 91 have fully completed their remediation.

The conditions also said the Accord, a platform of more than 200 retailers mostly based in Europe, cannot sever business ties with any factory.

It also cannot end business ties with a whole group if any of its unit fails to improve the remediation to the standards of the platform.

There must also be representation of the government during the factory inspections, said the conditions.

The extension or departure of the Accord is hanging on the court's verdict thanks to a verdict to a case filed by Chittagong-based Smart Jeans.

**Investors lose confidence in mutual funds**

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Thanks to the BSEC decision investors will now have to wait for another ten years to get profits from mutual funds.

"So, some of them decided to wash their hands of mutual funds," said Abu Ahmed, a former chairman of the Dhaka University's economics department and a market analyst. Since September 16, the closed-end mutual fund sector lost 11.63 percent of its market capitalisation.

Of the listed 37 funds, 33 traded at lower than their face value yesterday.

"The decision is a total violation of fund managers' commitment, and the BSEC has created the opportunity to break their commitment," said the managing director of an asset management company,

requesting anonymity.

He went on to predict that the impact of the decision would be profound.

Shakil Rizvi, president of the DSE Brokers' Association, echoed the same. "It is necessary to liquidate the funds within the committed time of their prospectuses to keep the confidence of investors."

He, however, hinted at some incentives for investors since the decision came at the government's behest.

"As there is no research on it, no one can say that this is the sole reason behind the fall of market capitalisation," said Saifur Rahman, spokesperson of the BSEC.

He, however, acknowledged that it affected the confidence of investors of closed-end mutual funds.

**BTCL's WiMax gamble**

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Two companies, Banglalion Communications and Augere Wireless Broadband Bangladesh, snapped up the licence in an open auction then and rolled out their service in 2009. Qubee, once the second-largest operator, had only 16,211 active subscribers in June, down from 1.25 lakh during its heyday in 2013.

As of June, Banglalion, which boasted about 4 lakh subscribers at its peak in June 2013, has 28,619 subscribers. Augere Wireless Broadband Bangladesh's Qubee has 16,211 active subscribers, down from 1.25 lakh in its heyday in 2013.

In 2013 another company Bangladesh Internet Exchange Limited took the WiMax licence and rolled out its service the follow-

ing year under the brand name of Ollo. As of June, Ollo's subscriber base stood at 36,041. "We are in the process of acquiring the licence as far as I am concerned," said Md Zahangir Alam, managing director of the government's largest telecom company.

BTCL has started exploring the proposition of running WiMax service a few years back. "Definitely the technical team has justification for moving for the licence at this moment when the prospects are fewer," said Alam, an additional secretary of the government who joined BTCL only few months back.

BTCL's move has also taken the BTRC by surprise, said a high official of the telecom regulator. "More than a crore people are using 4G now, the fastest mobile data. So WiMax is losing its relevance by the day," he said.



**Mockbul Hossain, chairman of Samorita Hospital Ltd, presides over the company's 33rd annual general meeting in Dhaka yesterday. The company approved 12 percent cash dividend for the year ending on June 30, 2018. ABM Haroon, managing director, was present.**

SAMORITA HOSPITAL



**Ardashir Kabir, chairman of Bangladesh Tea Association (BTA), presides over the 58th annual general meeting of the sole representative organisation of tea garden owners of Bangladesh at its office in Dhaka yesterday.**

BTA