

SIBL NOW
Quicker Easier & Safer
 Transfer Fund, Pay Utility Bill, Top Up Mobile Balance & many more

SIBL
 Social Islami Bank Limited

star BUSINESS

DHAKA THURSDAY MARCH 7, 2019, FALGUN 23, 1425 BS • starbusiness@thedailystar.net

Try habitual defaulters thru' special tribunal

Economists urge govt, say a major portion of default loans is being laundered

STAR BUSINESS REPORT
 Economists yesterday called upon the government to set up a special tribunal to bring habitual defaulters to book with a view to restoring corporate governance in the banking sector. A major portion of default loans has been laundered abroad, casting a pall of gloom on the entire financial sector, they said at a dialogue titled "Loan default problem in Bangladesh and solution".

Economics Study Centre, run by the students of the university's economics department, organised the dialogue at the RC Majumdar Auditorium of Dhaka University.

The country's future GDP growth will be badly affected if the rise of defaulted loans cannot be halted, said Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue.

Some defaulters have amassed huge amounts of assets by grabbing money from the banking sector, creating unfair discrimination in society, he said.

The current GDP growth will not sustain in the long run because of the concentration of



Economists take part in a dialogue titled "Loan Default Problem in Bangladesh and Solution" at RC Majumdar Auditorium at the University of Dhaka yesterday.

assets in the hands of a few people, he said.

A defaulter now faces the highest of six months' imprisonment in line with Artha Rin Adalat Ain, 2003, also known as Money Loan Court Act, 2003, which is a silly sentence for such habitual defaulters, Rahman said.

Special tribunals should be formed to punish wilful defaulters by amending the existing acts, he said.

The non-performing loans in the banking sector stood at Tk 93,911 crore last year, up from Tk 74,303 crore a year ago.

Some unscrupulous persons looted money from banks in the pretext of taking loans, worsening the financial health of 14 private and five to six state-run banks, said Khondkar Ibrahim Khaled, a former deputy governor of Bangladesh Bank.

The government has been recapitalising the state lenders over the years by using taxpayers' money, which is highly unethical, he said.

The habitual defaulters and individuals involved with financial scams have managed support from the state agencies, posing a threat to the banking sector, Khaled said.

dbi CERAMICS
 www.dbiceramics.com

Data administrator most in-demand job in ICT

Daffodil university finds in a survey

STAR BUSINESS REPORT
 Jobs of data administrators are the most in demand in the country's ICT industry as it offers handsome salaries compared to other ICT professions, finds a new study.

An experienced data administrator, responsible for running data systems of an office, gets as much as Tk 6 lakh as monthly salary, albeit if the person is quite capable and has over three years' experience.

Sequentially, jobs of animators, business analysts and programmers are the next most sought-after from the freshers' point of view, according to the first "survey on ICT job market in Bangladesh".

However, most of the newcomers in the ICT job market seek to be sales and marketing executives while data administration stands as the second best choice.

Daffodil International University (DIU) revealed the report in a ceremony on their Mirpur Road campus yesterday.

Of the total ICT workforce, 44.31 percent are undergraduate degree holders and 37.79 percent postgraduate, according to the survey.

Only 16 percent of the ICT jobholders are women, finds the new study of the private educational institution specialised in information and communication technology which surveyed 17,000 ICT professionals.

Unveiling the report, State Minister for ICT Zunaid Ahmed Palak said such surveys would create a huge impact in the industry.

He said though it was very unfortunate that the percentage of women in the ICT workforce was very low in Bangladesh, the

ENTRY-LEVEL SALARIES IN IT (In taka)

Areas	Min	Max
Database administration	8,000	85,000
Digital media or animation	5,000	50,000
Business analysis	7,000	250,000
Programming	5,000	50,000
Project management	10,000	45,000
Software quality and testing	5,000	40,000
IT sales and marketing	4,000	80,000
Technical support	5,000	45,000
Technical writing	4,000	50,000
Web development	7,000	50,000
IT management	7,000	50,000
Solution and architecture	10,000	50,000
IT research and development	6,000	100,000

country was not lagging behind in context to global trends.

The government has set a target to increase human resources in ICT, especially women, said Palak. "Currently, there are about a million ICT related workforce in the country and our target is to add another two million by 2021," he said.

Attending the event, Hosne Ara Begum, managing director of Bangladesh Hi-Tech Park Authority, said usually they have to meet a huge number of investors but in every case they cannot present any survey report that represent the market.

"Now we can present this before them and this will be helpful for us to convince them on the potential of Bangladesh," she said.

Mahin Group to build Tk 400cr spinning mill

REFAYET ULLAH MIRDHA
 Mahin Group, a trouser and woven fabrics manufacturer, is going to invest Tk 400 crore this year to set up a spinning mill to produce 30 tonnes of yarn a day.

"We will go into production in August next year," said Abdullah Al Mahmud Mahin, managing director of the group. Of the investment, 70 percent will come from banks and the remaining 30 percent from the company's coffers. A significant amount of the investment will come from foreign sources, he said without elaborating.

Mahin Group has bought 26 bighas of land at Charsindhur in Narsingdi to set up the mill, which will have the capacity for 55,000 spindles.

It will start the construction of the pre-fabricated factory building in May this year and will begin the installation of machinery in March next year, Mahin told The Daily Star over the phone.

KEY POINTS

- Daily 30 tonnes of cotton yarn will be produced
- The plant will have 55,000 spindles
- Production will start in August 2020
- Mahin Group consumes 50 tonnes of cotton yarn a day to produce fabrics
- The group's annual turnover is \$85m

Promote jute goods to earn more foreign currency

PM says at National Jute Day 2019 event

UNB, Dhaka
 Prime Minister Sheikh Hasina yesterday laid emphasis on branding jute products as environment-friendly ones throughout the world to expand global reach and earn more foreign currencies.

"We'll have to spread jute products throughout the world branding those as environment-friendly ones. If we can do that, we'll get a larger market (for jute products) and can earn more foreign currencies," she said.

Hasina spoke at the National Jute Day-2019 programme and inaugurated the two-day Multipurpose Jute Product Fair at Bangabandhu International Conference Centre in Dhaka.

She urged authorities concerned to take necessary steps to make the jute sector profitable.

"Jute is such a produce, nothing of which is wasted. So, why'll it incur losses? I don't want to hear (the news



of) losses. Attention is needed for making it profitable," she said.

The prime minister said the jute products will get incentives both as an agricultural produce and an industrial product.

"We'll definitely make it (jute sector) profitable through diversifying the jute products. I believe it," she said with a call to assess the local demand of jute products.

She said the Export Policy 2018-2021 has already been declared. "It'll have to concentrate on further increasing the export of jute goods."

Hasina said many products, including Sonali Bags, are now being produced from jute which is called gold fibre.

Five ins stocks see abnormal rise in prices

AHSAN HABIB
 Prices of five insurance stocks doubled in a gap of two months although the earnings of the companies did not increase much during the period.

The companies are: Sonar Bangla Insurance, United Insurance, Provati Insurance, Agrani Insurance and Eastern Insurance.

Prices of Sonar Bangla jumped 339.87 percent to Tk 67.3 between January 1 and February 27 this year, according to Dhaka Stock Exchange (DSE) data.

During the period, United rose 233.86 percent to Tk 83.8 and Provati 133.53 percent to Tk 40.4.

The share of Agrani advanced 114.2 percent to Tk 37.7 while Eastern gained 103.25 percent to Tk 56.3.

The five insurers have warned investors through the website of the Dhaka Stock Exchange that there was no undisclosed information related to the hike.

This is nothing but gambling by a vested quarter, market insiders opined.

Abu Ahmed, a stock market analyst, was surprised to see such an abnormal price hike and said there is no economic reason behind the rise.

"Some quarters may have manipulated or some may have spread rumours about the stocks. Otherwise, these shares could not have risen at such a pace."

A rumour is going round that the government is planning to ensure insurance coverage for all, said Ahmed, who is also a former chairman of the economics department of Dhaka University.

Even if it is true, it will take many years to implement the plan, he added.

There is no specific development in the insurance sector that may have led to the increase in earnings, said Sheikh Kabir Hossain, president of the Bangladesh Insurance Association.

PRICE VERSUS EPS

COMPANY	RISE IN STOCK PRICE (IN %; JAN-FEB 2019)	CHANGE IN EPS IN 2018 (IN %)
Sonar Bangla Insurance	339.87	10.92
United Insurance	233.86	4.54
Provati Insurance	133.53	10.43
Agrani Insurance	114.2	-15.79
Eastern Insurance	103.25	3.74

NEWS IN brief

AB Bank gets nod to float Tk 500cr bond

The Bangladesh Securities and Exchange Commission (BSEC) has approved a proposal that seeks to issue floating rate subordinated bonds of AB Bank worth Tk 500 crore.

The tenure of the fully redeemable non-convertible bonds will be of seven years. The fund will be raised to strengthen the bank's Tier 2 capital base. The offer price of the bonds will be Tk 1 crore per unit.

BSEC okays alternative investment draft rules

The stockmarket regulator has approved the Bangladesh Securities and Exchange Commission (Alternative Investment) Rules, 2016, which is the amended version of a previous rule of 2015.

The amended rules will help promote venture financing and equity investment facilities for non-listed local firms. The draft will be published in dailies soon for public opinion.

Eastern Cables placed 'A' category

Eastern Cables was upgraded from "Z" to "A" category as the company has disbursed 10 percent stock dividend for the year ending on June 30, 2018 and held an annual general meeting. Earlier on May 20, 2018, Dhaka Stock Exchange downgraded the company to "Z" category for failing to hold AGMs on time.

STUDY ON BT BRINJAL FARMING Pesticide use falls but risks remain

STAR BUSINESS REPORT
 The cultivation of Bt brinjal has enabled farmers to reduce pesticide use and log higher profits but the genetically modified vegetable is not fully free from the risk of fruit and shoot borer (FSB) infestation, a new study found.

The FSB is one of the most devastating pests that damages up to a third of the conventional crop.



Production cost of Bt brinjal has fallen leading to a rise in revenues, according to a study.

The findings of the study on the impact of Bt brinjal, jointly carried out by International Food Policy Research Institute (IFPRI) and the government of Bangladesh, were released at a programme at InterContinental Hotel Dhaka yesterday.

In 2013, the government introduced the genetically modified (GM) brinjal, dubbed as resistant to the pest.

The study, conducted on 1,200 farmers, including 600 growers of Bt brinjal, finds that the infestation of the FSB and other pests were lower in the plots producing the GM eggplant compared to those growing regular brinjal.

Some 90 percent of the Bt brinjal plots were free from the attack of the FSB and the rest 10 percent was affected by the pest, it said.

The GM vegetable is not resistant to other insects: infestation of pests such as leaf eating beetles was 47 percent while it was 49 percent in case of infestation of pests such as thrips, white fly and aphids.

MTB digital banking app

এখন MTB ইন্টারনেট ব্যাংকিং-এর মাধ্যমে বিকাশ একাউন্টে টাকা পাঠান মুহূর্তে

MTB
 Mutual Trust Bank