

Policy needed to face fourth industrial revolution: experts

STAR BUSINESS REPORT
Bangladesh needs to formulate policies in advance to face the challenges of the impending fourth industrial revolution (4thIR), experts said yesterday. The fourth industrial revolution is characterised by a fusion of technologies that is blurring the lines between the physical, digital and biological spheres, collectively referred to as cyber-physical system. "The existing industrial policies will not help, so the government needs to address the issue immediately," said M Rokonuzzaman, professor of North South University's electrical and computer engineering department. Rokonuzzaman's comments came at a seminar styled "Fourth Industrial Revolution: Potentials for Bangladesh economy", organised by the industries ministry at the capital's Bangabandhu International Conference Centre. The government has to educate the 50 million students who are in job pipeline about the technological breakthroughs. "The education system has to change." Although the numbers of jobs will shrink in the manufacturing sector, youths will get jobs in other sectors if they take preparation and build up their skill set anticipating the

demands of future, he said. Technology is helping Bangladesh to move into the middle-income country bracket. "Similarly advanced technology will help Bangladesh become a higher income country," Rokonuzzaman added. Sophisticated technology has already come to Bangladesh and a number of manufacturers are using nanotechnology in their factories, said Ferdaus Ara Begum, CEO of Business Initiative Leading Development (BUILD). "I believe jobs will never reduce. Rather, the advanced technology or 4thIR will create more jobs for high-skilled workers," she said, while urging jobseekers to build up skills. She also emphasised on the need for new policies centring on the 4thIR. The industries ministry is preparing a policy considering the future needs, according to Md Abdul Halim, its secretary. He went on to assure that the recommendations of the seminar would be considered while preparing the 4thIR-centric policy. Nazneen Ahmed, senior research fellow of the Bangladesh Institution of Development Studies, made a presentation on the topic of the seminar. Salhuddin Mahmud, additional secretary of the industries ministry, chaired the seminar.

Global gold demand will rise to four-year high

REUTERS, London
Global demand for gold in 2019 will rise to the highest in four years as higher consumption by jewellers offsets a fall in purchases by central banks, an industry report said on Monday. The world will consume 4,370 tonnes of gold this year, the most since 2015 and up slightly from 4,364 tonnes in 2018, consultancy Metals Focus said. Its Gold Focus 2019 report also predicted gold prices would average \$1,310 an ounce this year, up from \$1,268 in 2018 and the highest since 2013. Gold currently trades around \$1,300 an ounce. Gold consumption for jewellery will rise 3 percent this year to 2,351 tonnes, driven by increases of 7 percent in India and 3 percent in China - the two largest markets - which will counter lower demand in the Middle East, Metals Focus said. Purchases by the official sector, which surged almost 75 percent in 2018 as central banks added gold to diversify their reserves, will slip 9 percent this year to 600 tonnes, the report predicted. Physical investment demand will remain largely unchanged from 2018 at 1,082 tonnes. Metals Focus said gold supply would rise by 1 percent to 4,707 tonnes thanks to higher mine production and recycling and some producer hedging. Helping gold prices to rise would be the end of interest rate rises by the US Federal Reserve, along with political and economic uncertainty around the world, Metals Focus said, but it added that a strong dollar would limit gains. Gold is traditionally seen as a safe place to invest during periods of uncertainty. Higher interest rates hurt gold because they make bullion, which pays no yield, less attractive to investors, while a stronger dollar can depress demand by making gold more expensive for buyers with other currencies.

Review meeting on draft ADR guidelines held

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A third tripartite review meeting of a committee convened by Bangladesh Bank to resolve commercial disputes, including that over non-performing loans, has been held at Bangladesh International Arbitration Centre (Biac) in Dhaka recently. The committee comprises Bangladesh Bank, the Association of Bankers Bangladesh and Biac, says a statement. The draft of an alternative dispute resolution (ADR) guideline following the incorporation of recommendations was discussed in detail. The meeting agreed to incorporate in contracts an ADR clause which will be framed in a manner safeguarding banks from the risk of defaulting contracts, including that involving loans. Banks will also have the discretion to use the ADR clause appropriately in risk mitigation. Muhammad A (Rume) Ali, CEO of Biac, presided over the meeting.



Shahnaz Rahman

Reliance Insurance gets new chairman, vice chairman

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Shahnaz Rahman, a director of Transcom Group, has recently been elected chairman of Reliance Insurance. The election took place at a meeting of the insurer's board of directors following its 31st annual general meeting (AGM) at Lakeshore Hotel in Dhaka on Sunday. Shamsur Rahman, the outgoing chairman, presided over the meeting. The insurer also elected Habibullah Khan as vice chairman, the company said in a statement yesterday. More over, Srimati Shaha and Atiqur Rahman have been elected new directors from among the company's public shareholders in the AGM. The board of directors will now also comprise Shamsur Rahman, M Shamsul Alam, Zakia Rouf Chowdhury, Rajiv Prasad Shaha, Arshad Waliur Rahman, Imran Faiz Rahman, Iftekharul Huq, Amanullah Chowdhury, Amiran Hossain, Shahzreh Huq, Ahmed Shafi Chowdhury and CEO Md Khaled Mamun. A sponsor director of Reliance Insurance, Shahnaz Rahman is also a director of Transcom Beverages, Bangladesh Lamps, Transcom Foods, Transcom Electronics, Eskayef Bangladesh, Transcom Distribution Company, Transcom Consumer Products, Trinco, Mediastar and Mediaworld. Khan is the managing director of the Meenhar Group of Companies. He is also a former president of both Chittagong Stock Exchange and Bangladesh Frozen Food Exporters Association.



Habibullah Khan



Md Nazmul Hassan, chairman of Islami Bank Bangladesh Ltd (IBBL), and Md Mahbubul Alam, CEO, receive the "Strongest Bank in Bangladesh-2018" award from financial service publication The Asian Banker at an event in Singapore recently.



Alexis Nasard, CEO of Bata Shoe Organisation; Rajeev Gopalakrishnan, president of Bata Emerging Market (South Asia), and Chitpan Kanhasiri, managing director of Bata Shoe Company (Bangladesh) Ltd, open a flagship store on Gulshan Avenue in Dhaka yesterday.

Remittance up 10.28pc

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The inter-bank exchange rate stood at Tk 84.25 on March 30, up from Tk 82.96 a year earlier. The central bank has recently taken a number of initiatives to prevent transaction through the 'hundi', an illegal cross-border channel to settle transaction among clients, Rahman said. "This has also given a boost to the remittance inflow," he said. But, the informal channel is still strong and the central bank should ratchet up its monitoring, he said. In March, remittances increased 12.17 percent year-on-year to \$1.45 billion.

Oil extends gains on tight supply, economic optimism

REUTERS, London
Oil rose on Monday, building on its largest first-quarter gains in nearly a decade, as tight supply and positive signs for the global economy supported prices. Brent crude for June delivery was up 96 cents, or 1.42 percent, at \$68.54 a barrel by 0900 GMT, having risen 27 percent in the January-March period. US West Texas Intermediate futures rose 56 cents, or 0.93 percent, to \$60.70 a barrel, after gaining 32 percent in the first quarter. Positive Chinese factory gauges and signs of progress in Sino-US trade talks have boosted sentiment, helping to buoy regional stock markets. "Oil continues to move higher, with risk appetite on the rise in global markets," BNP Paribas strategist Harry Tchilinguirian told the Reuters Global Oil Forum. The United States and China said they made progress in trade talks that concluded on Friday in Beijing, with Washington saying the negotiations were "candid and constructive" as the world's two largest economies try to resolve their trade war.

Saudi Aramco 'made \$224b profit' last year

AFP, Dubai
Saudi Aramco, the world's largest oil company, posted \$224 billion in earnings before tax last year, Fitch Ratings said Monday, as the secretive giant opens its accounts for the first time. Fitch assigned Aramco its first-ever credit rating -- a stable A+ -- as the state oil giant prepares to sell bonds to help finance the purchase of a majority stake in Saudi petrochemicals behemoth SABIC. The huge deal gives Crown Prince Mohammed bin Salman's ambitious reform programme aimed at diversifying the economy a massive cash boost. On Thursday Aramco said it was buying a 70-percent stake in SABIC for \$69.1 billion, effectively merging the kingdom's two largest companies. As a result it has opened up its accounts for the first time since its nationalisation more than 40 years ago, granting access to international ratings agencies Fitch and Moody's. Fitch gave an A+ credit rating to Aramco because a large portion of the company's earnings are taken by the Saudi government, which depends on it for around 70 percent of its projected state revenues of \$260 billion. Based on its finances, massive hydrocarbon reserves and low production cost, its stand-alone rating would have been a top AAA+ on an equal footing with international oil companies. Fitch said it expected Aramco, which has an abundance of cash flow and low debt, to finance the SABIC deal mainly through its free cash flow. "Saudi Aramco is the world's largest oil producer by volume, the only oil producer in Saudi Arabia (outside of the neutral zone between Saudi Arabia and Kuwait), and the custodian of the kingdom's vast reserves," Fitch said.

GP woes over unpaid dues get worse

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"Our team is working on it. We will complete it by tonight [yesterday] and will send to Grameenphone tomorrow [today]," Haque told The Daily Star yesterday. The amount owed to the NBR will remain unchanged from the auditor's version, said a senior BTRC official who is connected with the process. The revenue authority will place its claims to Grameenphone separately. "The principal amount is not so high at Tk 2,200 crore. It is the interest amount that has dealt the knockout blow," the BTRC official. The government might review the interest amount since it ran the audit after a long delay. "For other sectors it reconsidered the interest part," he said, adding that Grameenphone was not cooperative with the BTRC-appointed auditors. Contacted, Grameenphone in a statement said it is yet to receive any communication from the relevant authorities in this regard. The operator also declined to comment on the matter. The telecom watchdog ran its first audit back in 2011 and unearthed financial discrepancies amounting to Tk 3,034 crore in the operator's books from its inception in 1996 through to March 2011. Grameenphone then disputed the appointment process of the auditing firm, so in October 2015 another firm, Toha Khan Zaman & Co., was asked to pore over the country's leading operator's books from its inception until June 2015. Norwegian Telenor has a 55.8 percent share of Grameenphone and Grameen Telecom Corporation 34.2 percent; the remaining 10 percent of the shares belong to retail and institutional investors. Earlier, the regulator claimed Tk 867.24 crore from the country's second largest operator Robi as missed or under payments over a 19-year period, detected after a thorough audit. Robi is yet to furnish the amount, saying the grounds on which the claims were made by the auditor were sub judice.



Mohammad A Moyeen, chairman of LankaBangla Finance, presides over the company's 22nd annual general meeting at MIDAS Centre in Dhaka last week. The company approved 15 percent cash dividend for the year ending on December 31, 2018.



Md Ahsan-uz Zaman, CEO of Midland Bank, opens an agent banking centre of the bank at Teariganj union of Lakshmpur Sadar upazila last week.

Online VAT return submission opens for big taxpayers

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The NBR organised the meet to hear views and concerns of businesses and other stakeholders in the run-up to framing the tax measures for fiscal 2019-20. Representatives of Bangladesh Textile Mills Association (BTMA), plastic goods

manufacturers and exporters and jute millers were also present at the pre-budget meeting, which the revenue collector holds every year. Exporters of other sectors sought corporate income tax at a reduced rate in line with the rate applicable for the garment sector.



Abu Hena Mohd Raze Hassan, head of Bangladesh Financial Intelligence Unit, and Md Khalilur Rahman, chairman of the Bangladesh Leasing and Finance Companies Association (BLFCA), attend a conference on "Anti Money Laundering and Combating Financing of Terrorism" organised by the association for managing directors and CEOs of financial institutions at the Radisson hotel in Dhaka recently.

Drive soon to curb gold smuggling thru' travellers

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Both sides discussed measures to curb smuggling of gold and fake currency, establish hotlines, share confidential information, conduct surveillance on the movement of people and strengthen monitoring of trade consignments to rein in duty evasion. The meeting took place at a time when customs detectives here frequently seize smuggled gold and other items. Many officials believe Bangladesh is used as a route to smuggle bullion to India. The DRI said detectives and customs could annually seize 300 kilogrammes of gold on way to India from Bangladesh. The next director general-level talk will take place in Delhi in 2020, said the CIID statement.