Coppertech auditor's licence not renewed for non-cooperation STAR BUSINESS REPORT

Ahmad & Akhtar Chartered Accountants will not be allowed to audit the financial report of listed and non-listed companies after the licence of its only practising information. partner was not renewed.

The Institute of Chartered Accountants of Bangladesh (ICAB) yesterday decided not to renew the licence of Kanchi Lal Das, managing partner of Ahmad & Akhtar Chartered Accountants. All practitioners must have their annual licence renewed by the ICAB by June every year. Das' licence inactivity came into effect this month.

The decision came after Das refused to cooperate with the ICAB to review the financial report of Coppertech Industries Ltd, which is trying to be listed on both

stock exchanges.

The Financial Reporting Council ordered the ICAB to look into the report, which was audited by Ahmad & Akhtar, after allegations surfaced that it contains wrong

"This is the first time the ICAB has not renewed the licence of one of its members, AF Nesaruddin, president of the ICAB, said.

Ahmad & Akhtar will not be allowed to audit any financial reports as the firm does not have any licence-holder practitioner at the moment, he added.

The ICAB took the decision during an emergency council meeting. If required, the Bangladesh Securities and Exchange Commission can re-audit the report o Coppertech for the best interest of stock investors, according to Nesaruddin.

Saudi Arabia raises \$3.4b in debut eurobond issue

Saudi Arabia has raised three billion euros (\$3.4 billion) in its first euro-denominated bond sale, the government said Wednesday, as the petro-state taps new funds to plug a budget deficit.

The finance ministry announced the "successful completion of the first offering 4.5 times oversubscribed," the ministry of an international bond denominated in said in a statement.

the euro currency... with a total issue of 3 billion euros".

The world's top crude exporter, which had previously onlyissued bonds denominated in dollars, has posted budget deficits since oil prices crashed in 2014.

The order book for the bond sale "peaked at 13.5 billion euros, which was





STAR BUSINESS DESK

Lawmaker Morshed Alam has been elected chairman of Mercantile Bank.

The election took place at the 345th board meeting, the bank said in a statement yesterday.

Alam is the founder chairman of the Bengal Group of Industries, chairman of private satellite television channel RTV and a former chairman of National Life Insurance Company.

He is also involved in different sectors, including financial services, exportoriented textile and apparel industry, real estate and construction materials, hotel and resorts.

Alam is a member of the trustee board of the Peoples University of Bangladesh. He was elected a member of parliament from Noakhali-2 (Senbag-Sonaimuri) at the 10th and 11th national elections.



Archana Anand, chief business officer of ZEE5 Global, and Mahtab Uddin Ahmed, CEO of Robi, along with actors and singers attend the launch of ZEE5, a global streaming platform, in Bangladesh in partnership with Robi at the Sonargaon hotel in Dhaka on Wednesday.

Trump officials say US-China trade talks to resume next week

REUTERS, Washington

Top representatives of the United States and China are organizing a resumption of talks for next week to try to resolve a year-long trade war between the world's two largest economies, Trump administration officials said on Wednesday.

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"Those talks will continue in earnest this coming week," White House Economic Adviser Larry Kudlow told reporters in a briefing.

An official from the Office of the US Trade Representative said later that the two sides were in the process of scheduling a principal-level phone call with Chinese officials for next week.

The principal negotiators on the US side are US Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin, while China's top negotiator is Vice Premier Liu He.

The two sides have been in communication by telephone since last weekend, when US President Donald Trump and Chinese President Xi Jinping agreed to relaunch talks that had stalled in May. Kudlow was unclear about the

timeline for relaunching face-to-face talks, saying that these would begin "soon" and that an announcement would be forthcoming. "I don't know precisely when.

They're on the phone. They're going to be on the phone this coming week and they'll be scheduling face-to-face meetings," he said.

Talks between the two sides broke down in May after US officials accused China of pulling back from commitments it had made previously in the text of an agreement that goods, commerce ministry spokesman negotiators said was nearly finished.

The United States accuses China of allowing intellectual property theft and forcing US companies to share their technology with Chinese counterparts in order to do business in China. It wants China to change its laws on those and other issues. China denies such practices and is reluctant to make sweeping legal changes. Both countries have levied tariffs

on the other, but Trump made two major concessions at the meeting with Xi to get talks started again: he agreed not to put tariffs on some \$300 billion in additional Chinese imports and to loosen restrictions on Chinese technology company Huawei.

China welcomed the US decision not to put new tariffs on Chinese

Gao Feng told a regular media briefing on Thursday, but added the removal of existing US tariffs was essential for a trade deal. "The US move to unilaterally

increase tariffs on Chinese imports started the Sino-US economic and trade frictions. If both sides could reach a deal, those tariffs must be completely removed," said Gao. The United States has 25 percent

tariffs on \$250 billion of Chinese goods now ranging from semiconductors to furniture. "We've been accommodative.

We will not lift tariffs during the talks," Kudlow said. "We are hoping that China will toe its end of it by purchasing a good many of American imports."



Workers load goods for export onto a crane at a port in Lianyungang, China.

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"However, majority of this trade consisted of imports from China," she said.

Hasina said Bangladesh is a very close neighbour of China and geo-strategically located between South and Southeast Asia. Population-wise, Bangladesh is the eighth largest country in the world.

Investment in Bangladesh not only ensures a direct market access to 162 million people but also gives indirect access to a market of more than 3 billion population of South Asia and China, she said. In this connection, the prime minister said Bangladesh

will continue to enjoy duty-free and quota-free access to major markets of the world till 2027 although it has graduated to a developing country.

She said Bangladesh is blessed with very hardworking, efficient and low-cost labour force. "Wages of semi-skilled and management grade workers are one of the lowest in the world," she said.

The prime minister also said Bangladesh offers some of the world's most competitive fiscal and non-fiscal incentive packages for foreign investors.

These include repatriation of dividend and capital at the exit, tax holidays, cash incentives on the export of selected items, permanent resident permits on investment of \$75,000, and citizenship on \$500,000.

The prime minister mentioned that Bangladesh is the second largest exporter of readymade garments and clothing after China and there is huge potential to further expand investment in apparel, especially in backward linkage industries.

She said Bangladesh highly values the huge interest demonstrated by the Chinese investors in the country and so it is setting up a special economic zone for the Chinese

Chairman of China International Contractors Association Fang Qiuchen, Vice President of China State Construction Engineering Corporation Zhou Yong, Executive Vice President of Huawei Technologies Zeng Chenggang, Vice President of Haier Electrical Appliances Diao Yunfeng, Chairman of China Railways International Group Company GAN Baixian and President of Overseas Operations of China Railway Construction Group Cao Baogang spoke at the roundtable.

FBCCI President Sheikh Fazle Fahim, Senior Vice President Md Muntakim Ashraf, Vice President Siddiqur Rahman and Vice President of the International Chamber of Commerce Bangladesh Rokia Afzal Rahman also spoke.

Foreign Minister AK Abdul Momen and PM's Private Investment and Industry Affairs Adviser Salman F Rahman were present on the occasion.

Rod prices may rise for gas price hike, tax measures

FIRST SECURITY ISLAMI BANK

Syed Waseque Md Ali, managing director of First Security Islami Bank, hands over a cheque to Md Akhtaruzzaman,

vice-chancellor of the University of Dhaka, on the campus yesterday. The bank will provide monthly scholarships of

"Rod sales may come down and growth of the construction sector slow down," added the official of BSRM, a leading steel manufacturer in the country.

to fold business, unable to absorb this big jolt of additional investment for the gas price hike alongside introduction of the new VAT system, apprehended Sengupta. Manwar Hossain, group managing

director of Anwar Group, told The Daily Star that the sector would need an additional Tk 3,000 crore due to the imposition of a 5 percent advance tax on raw materials at the import stage. The government imposed VAT on MS

products at the rate of Tk 1,200 per tonne on those made from imported/locally rerollable scrap and Tk 1,000 on those from billet or ingot.

The rate will be Tk 1,000 on billet and ingot made from imported/locally collected meltable scrap.

scrap and billet at the retail will carry VAT

At present manufacturers pay Tk 1,400 in VAT for every tonne of MS rod and those at retail level Tk 200.

Hossain said the new VAT and tax Some manufacturers might even have measures would increase operational costs of mills and by itself raise the retail price of rod per tonne by around Tk 7,830. "We have already postponed rod sales

from mills since July 1 as we have to take a decision about the price," he said.

Kabir of GPH Ispat said all manufacturers would need an additional 5 percent working capital for the imposition of the 5 percent advance tax. This money will have to be borrowed

from the banking system, which will worsen the liquidity crisis in the financial sector, he said.

Expressing concern over the need of this additional capital, Hossain of Anwar Group said bad loans in the banking system may rise further.

He said the price was yet to increase at retail but once the decision was taken, The MS products made from meltable the effect would be immediate in the markets.

India-funded \$7.5b projects move at snail's pace

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Now, they are sitting with their Indian counterparts every three months to work through the problems and implementation status is progressing gradually, the official The two-day review meeting on the

progress of the projects took place at the Economic Relations Division (ERD). Shahriar Kader Siddiky, joint secretary of the ERD, and Ajay Kumar, joint secretary to the external affairs ministry of India, led the respective sides. Dhaka and Delhi signed the first LoC in

August 2010 to implement 15 projects. Till April last year, \$523 million has been used and 12 projects were implemented. The majority of the 12 projects, involving

\$352 million, were related with procurement of buses, passenger coaches, wagons, locomotives and a dredger from India. But the lion's share of the credit has been

set aside for three railway projects, which are facing delay. The projects have received \$510.12 million, but only \$149.02 million was used till April this year, officials said.

The finance ministry official attributed the delays, which is six years in this case, to the time taken to complete official procedures. The delay in appointment of consultants and the acquisition of land

also stood in the way of implementation. Of the rail projects, \$123.74 million was spent out of the \$308.92 million allocated

for the construction of Khulna-Mongla Port Rail Line. In case of the third and fourth dual

gauge track between Dhaka and Tongi and the doubling of dual gauge track between Tongi and Joydevpur, \$17.51 million against the total allocation of \$123.1 million was used. The third rail project involving \$78

million for the rehabilitation of Kulaura-Shahbazpur dual gauge rail line has seen spending of \$7.77 million.

SECOND AND THIRD LOCS

India approved the second LoC in March 2016 to implement 16 projects. About three years after the deal, 12 projects were approved by Bangladesh. Two of the projects involve procurement

of trucks and buses for Bangladesh Road Transport Corporation and equipment from India. Most of the vehicles already arrived in Dhaka, officials said. The deal for the third LoC was struck in

October 2017. Sixteen projects have been identified for implementation with the loan. The loan carries 1 percent interest and is payable in 25 years, including a fiveyear grace period.



Md Rezaul Karim, director of LICT Project, and Shameem Ahsan, chairman of eGeneration, hand over a certificate to one of the latter's 30 data science and artificial intelligence professionals on completion of a training at the tech company's head office in Dhaka recently. The training was conducted under a "Fast Track Future Leader" project supported by the World Bank-financed LICT of Bangladesh Computer Council in partnership with the Center for Project Management & Information Systems of the University of Dhaka.

Bandwidth of GP, Robi blocked partially for dues

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Earlier, the regulator has suspended issuing the noobjection certificate (NOC) to the two operators from even importing equipment to run the network.

"Customers may face little challenges but that will not be unbearable and when the operators pay the dues we will immediately withdraw the restriction.

The decision was made after discussions with high officials of the government, Haque added.

Both the operators said they had invited the BTRC to settle the dispute through arbitration a number of times, a

lawful process to solve such matters. "Rather than choosing the path of arbitration, the BTRC has decided to take a step that hurts the interests of customers the most. However, we are confident that we can

ensure satisfactory level of quality of our service even with the limited bandwidth," Alam added. The BTRC chairman declined to enter into arbitration as there is no provision under the telecom act.