

STOCKS		COMMODITIES		ASIAN MARKETS			CURRENCIES						
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY		
1.69%	1.63%	\$1,411.60	\$67.29	0.41%	Closed	0.28%	0.40%	83.50	93.10	104.04	0.76		
5,091.48	9,487.98	(per ounce)	(per barrel)	38,896.71		3,347.95	2,942.19	BUY TK	SELL TK	84.50	96.90	107.84	0.79

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৯.২৫%	৯.৫০%	১০%

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# Star BUSINESS

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DHAKA TUESDAY JULY 16, 2019, SRABAN 1, 1426 BS • starbusiness@thedailystar.net

## Lot of success, lot to do

WB CEO says about Bangladesh in an interview with The Daily Star

**SAJJADUR RAHMAN**

Bangladesh needs to sustain higher economic growth and diversify the economy in order to create jobs for a young population, said Kristalina Georgieva, chief executive officer of the World Bank since January 2017.

During an exclusive interview with The Daily Star in Dhaka on Thursday, she said she was very happy to come and see how much progress Bangladesh has achieved.

"First and foremost, what I saw is an economy that is really vibrant. Growth rates average 7 percent over the last couple of years. It provides job opportunities for millions of people."

"Of course, that growth has to be sustained. And that means the economy needs to continue to diversify and create more opportunities for especially small and medium-sized enterprises to create jobs for a youthful population."

The WB CEO, who is the co-chair of the third executive meeting of the Global Commission on Adaptation that took place in Dhaka on July 10, was in Dhaka for a two-day visit last week.



Kristalina Georgieva

Georgieva, a Bulgarian by nationality, puts emphasis on diversifying the economy.

"The textile sector has served the country very well. I don't want to make it sound like it is not important for the future. It continues to be very important. But there are risks when you are dependent on a single industry. Therefore, these risks have to be addressed."

The WB can help Bangladesh by bringing experience from other countries that have diversified and where integration in global value

chains is effective.

Georgieva said Bangladesh has already had a very impressive track record in education and bringing boys and girls to schools. The WB is funding large educational programmes supporting the government in that regard.

On Thursday, she visited a school for urban slum children who were dropouts or had never gone to school.

"We give them a second chance and it's almost 700,000 children that could have seen their dreams crushed because of a lack of education. Now they can dream bigger and they were telling me they want to be teachers, doctors and engineers and that is the strength of the country and the biggest richness Bangladesh has."

Georgieva has built a reputation as a gender equality champion, humanitarian and leader in the global fight against climate change.

She talked about gender equality in Bangladesh that also fascinates her.

"Girls are in school. They work. They have economic independence. Many of them choose to be entrepreneurs. And that empowerment of women has helped Bangladesh achieve what many countries are struggling to achieve: reduction of population growth rate. It is one of the best performing countries in that regard."

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## PEOPLE'S LEASING LIQUIDATION

### Order issued to freeze accounts of 11 former directors, officials

BB to take over the NBFIL in a day or two

**STAR BUSINESS REPORT**

Bangladesh Financial Intelligence Unit (BFIU) yesterday issued an order to freeze the accounts of nine former directors and two officials of troubled Peoples Leasing and Financial Services (PLFS) over their alleged involvement in driving the non-bank financial institution into the ground.

The BFIU instructed all banks, non-bank financial institutions, insurers and cooperative societies to follow the order.

The intelligence unit also embargoed a transfer of their moveable and immovable assets.

The intelligence unit has taken the move in line with an order given by the High Court on Sunday to start the liquidation process of the scam-hit PLFS.

As part of the liquidation process, the central bank, on behalf of the government, will take over ownership of the PLFS within a day or two.

The central bank is now forming a team led by Deputy General Manager MD Asaduzzaman Khan, who was appointed as liquidator by the High Court on Sunday, to take over the PLFS, said a Bangladesh Bank official involved with the process.

Banks, NBFIs, insurance companies, brokerage houses, merchant banks, Central Depository Bangladesh and co-operative societies will have to take required measures against the 11 persons within seven working days, according to the BFIU letter served to them.

The nine former PLFS directors are: Moazzem Hossain, Nargis Alamin, Humayra Alamin, Arefin Shamsul Alamin, Mohammad Yousuf Ismail, Md Motiur Rahman, Bishwajit Kumar Roy, Md



Shahidul Haque and Khabiruddin Miah.

The alleged officials are Kabir Mostaque Ahmed and Nipendra Chandra Pandit.

All 11 individuals were with the PLFS until 2015.

The financial organisations concerned will have to submit detailed information of the liquid and illiquid assets of the 11 persons to the BFIU.

Punitive measures against the individuals and the liquidation process are running in tandem, the central bank official said.

"The central bank team has already completed all preliminary works to take over the PLFS in the interest of its depositors. It is just a matter of time."

The management of the NBFIL will have to submit detailed information of its assets and liabilities to the liquidator within 21 days from the date of his appointment by the High Court.

The liquidator will have to submit a report on the PLFS's assets and liabilities to the High Court within four months after verifying the financial condition of the NBFIL.

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## Stocks sink to 2.5-year low

**STAR BUSINESS REPORT**

Dhaka bourse's index hit a two-and-a-half-year low yesterday after sinking for seven days straight as investors continue to stay away from the market for lack of confidence.

DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), shed 88.01 points to close at 5,091.48, the lowest since January 1, 2017.

Since the budget was passed in the parliament on June 30 with harsh provisions for the stock market, DSEX lost 330.14 points and Tk 21,075 crore.

This has compelled aggrieved retail investors to demonstrate in front of the DSE office yesterday.

They said the government has taken many steps recently that ultimately went against the listed companies and when listed companies are hurt the investors would also be hurt.

Furthermore, banks and non-bank financial institutions are suffering from liquidity pressure, so their participation has remained subdued.

Market insiders said foreign investors are selling off their shares due to the lack of confidence and depreciation of local currency against the US dollar.

These, along with the announcement of liquidation of People's Leasing and Financial Services, have drained general stock investors' confidence.

The liquidity crisis in financial institutions is the main reason behind the erosion of investors' confidence, said Mizanur Rahman, a professor of the Accounting and Information Systems of the Dhaka University.

"It is necessary to take initiatives to address the liquidity crisis," he said, adding that the confidence crisis was compounded by PLFS's liquidation

as investors will lose almost all their money.

A top official of a leading stock broker said a harsh decision on Grameenphone, the largest listed company of the DSE, by the telecom regulator ultimately affected the whole stock market.

The telecom regulator's move to declare Grameenphone a significant market power (SMP) in February has played a huge role in dampening the confidence of stock investors, he added.

As an SMP, higher charges will be applied on Grameenphone, which will squeeze the business growth of the country's leading mobile phone operator.

Already, the telecommunication company's earnings per share (EPS) in the last quarter dropped and so did its interim dividend.

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## GP's profit falls despite record revenue

**STAR BUSINESS REPORT**

Grameenphone raked in Tk 3,603.82 crore in revenue in the April-June period this year, the highest in a single quarter, driven by growth in voice and data usage due to improved network.

The receipts in the second quarter of the year were up 10.63 percent year-on-year.

However, the mobile phone operator's profit declined 8.12 percent to Tk 955.28 crore in the quarter, according to its financial statement published yesterday. Earnings per share stood at Tk 7.07.

A board meeting of the operator on Sunday decided to declare 90 percent interim cash dividend.

"GP is very happy about the business growth amid huge regulatory challenges," said Michael Patrick Foley, chief executive officer of the company.

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## New shuttle train project to link Dhaka-Kaliakair

Tk 451.71cr plan to be placed at Ecneec today

**STAR BUSINESS REPORT**

The government plans to build a dedicated shuttle train service between Dhaka and the Bangladesh Hi-Tech Park Authority (BHPTA) in Kaliakair to ease commuters' movement.

A project involving Tk 451.71 crore has been taken up to construct the railway line. The project proposal will be placed for approval today at the weekly meeting of the Executive Committee of the National Economic Council (Ecneec).

The opening of the 57km railway line will reduce the traffic congestion on the Dhaka-Tangail Highway as the people employed at various companies housed in the BHPTA will be transported by the service. The trains will also carry other passengers.

It is expected that the construction of the railway line will be completed by June 2022, according to a government document. The government took the project in January 2019. The construction of a railway station near the hi-tech park is nearing completion.

A proposal has been sent to the planning commission to buy two sets of diesel electric multiple unit (DEMU) trains at a cost of Tk 161.30 crore with the government's own fund.

In November last year, the government decided to purchase six more DEMU sets for more comfortable train service for passengers, the document also said.

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### Heartiest Congratulations to Our Visionary Leader!

18th Bangladesh Business Awards  
DHL The Daily Star  
AWARDING EXCELLENCE IN BUSINESS

Mr. Azam J Chowdhury, honourable Chairman of the East Coast Group, has been recognised with the country's one of the most prestigious awards "Business Person of the Year 2018" by DHL and The Daily Star.

We congratulate him for his relentless effort in nation building by contributing towards sectors such as Energy, Power, Tea, Mining, Real Estate, Banking, NBFIL, Insurance and Shipping, which have revolutionised the business landscape of Bangladesh.

We are proud of his outstanding contribution towards the nation.

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