

এসআইবিএল

সুপার ডিপিএস

বিশেষ সঞ্চয় কিম

প্রাকল্পিত মুনাফা:

৩ বছর

৫ বছর

১০ বছর

৯.২৫%

৯.৫০%

১০%

ইসলামী শরীয়া'র এর মূদালাবা

নীতির ভিত্তিতে পরিচালিত।

SIBL

উদ্বোধন

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Social Islami Bank Limited

star

BUSINESS

DHAKA MONDAY JULY 22, 2019, SRABAN 7, 1426 BS

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Stocks continue to bleed, Tk 23,142cr lost in 3 weeks

STAR BUSINESS REPORT

Stock investors lost Tk 23,142 crore in the last three weeks but the regulator is yet to take any action to stem the tide.

Since June 27, the DSEX, the benchmark index of the Dhaka Stock Exchange, shed a staggering 397 points to close at 5,033 yesterday, which is the lowest in two-and-a-half years.

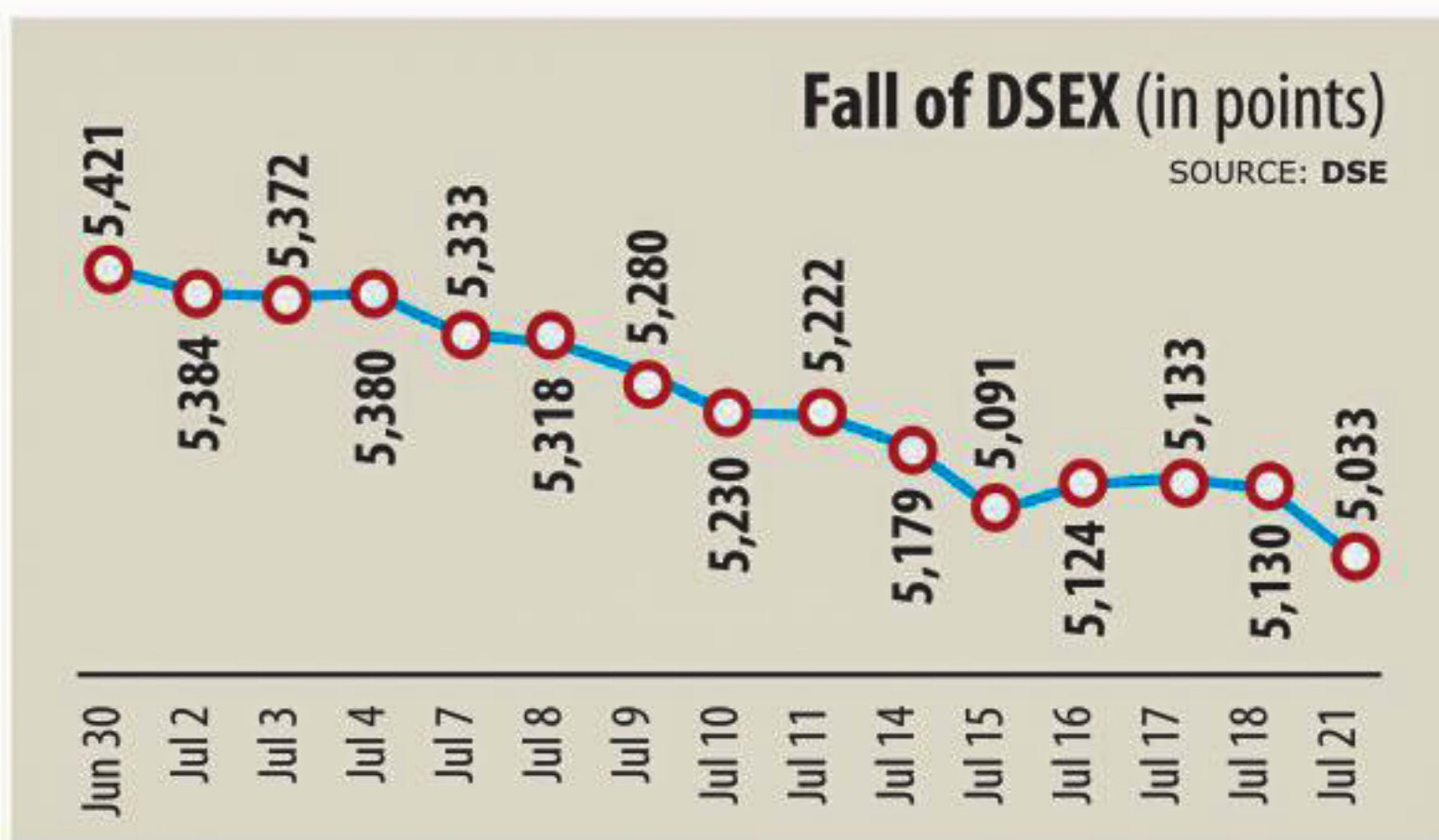
The slide began when news emerged that fiscal 2019-20's budget would be passed in the parliament on June 30 without any significant incentive for stocks and the market hardly rebounded since.

And yet, the Bangladesh Securities and Exchange Commission is not taking action to calm down the jittery retail investors and lift their confidence.

Its actions thus far have been to form a committee to find out the reason for the slump and ask institutional investors to bump up their investment.

Retail investors are of the belief that the regulator has failed to implement the rules and regulations properly and has subsequently called for an overhaul of the commission. They have demanded that the chairman and commissioners bow out from the BSEC.

"The present commission has simply failed," said Abu Ahmed, a former chairman of the Dhaka University's economics department. It was neither able to



- REASONS FOR SLUMP
- Liquidity crisis
 - Grameenphone-NBR dispute over tax
 - Liquidation of People's Leasing
 - Sales pressure from foreign investors
 - Weak mutual fund sector

punish the sponsors of the listed companies who sold off their holdings without informing investors nor it was able to bring good stocks to the market. It also allowed the misuse of placement shares and has failed to warn the finance ministry of the possible consequences of the budget measures.

"What the present commission succeeded in was spooking the investors," Ahmed added.

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Lower lending rate to single digits

BB again asks banks

STAR BUSINESS REPORT

The central bank has once again instructed banks to lower their lending rate to single digits as per instruction of the government and as committed by the sponsors of the lenders.

Banks should follow the directive on maintaining a 9 percent lending rate and 6 percent deposit rate in line with the promises made by the Bangladesh Association of Banks (BAB), a platform of the sponsors of private banks, last year, the central bank said at a meeting yesterday.

Bangladesh Bank Governor Fazle Kabir presided over the meeting at the central bank headquarters in Dhaka, where managing directors of all banks were present.

"We all have to give a collective effort to lower the lending rate to single digits," Syed Mahbubur Rahman, chairman of the Association of Banks, Bangladesh, a platform of the managing directors of private banks, told reporters after the meeting.

Banks have a responsibility to implement the agreed rate as the BAB has given its word to the government to do so,

he said.

"But, this is not solely the duty of banks to bring down the interest rate on lending as depositors also have a role to play," he said.

In 2017, banks cut down the interest rate on lending to single digits, helping the government keep up the growth momentum of the economy.

"We can do it again, but all stakeholders should respond to this end," said Rahman, also the managing director of Dhaka Bank.

Md Serajul Islam, spokesperson and an executive director of the central bank, said the BB was now monitoring whether banks follow the 6-9 percent interest rates.

Rahman also said the central bank had also asked to lower the default loans and follow banking norms for the betterment of the financial sector.

"Default loans may decline in the second quarter this year. A majority of banks have informed the central bank that their non-performing loans have decreased significantly during the period."

Currently, lending rates range between 12 percent and 15 percent and deposit rates hover around 10 percent.

Mostafa Group eyes a comeback

The conglomerate wants to pay off Tk 1,500cr loans

MOHAMMAD SUMAN and DWAIPAYAN BARUA, Cig

Debt-ridden Mostafa Group wants to pay back Tk 1,500 crore loans with around three dozen lenders taking advantage of the central bank's rescheduling facility, as it looks to make a comeback.

Soon after the arrest of Group Chairman Hefazatur Rahman on June 20 this year, the Chittagong-based company has started talking to 35 lenders and showed interest to pay off the loans. He was released on bail a week later. Officials of the banks said the group has contacted with them expressing interest to repay loans.

The group is pinning hope on the central bank's loan rescheduling facility for loan defaulters. The facility allows borrowers to regularise the bad loans by paying 2 percent of the total loans as down payment.

According to data collected from the Money Loan Court in Chattogram, the group owes Tk 300 crore to National Bank's Agrabad branch, Tk 200 crore to Southeast Bank's Khatunganj branch, Tk 135 crore to Social Islami Bank's Khatunganj branch, Tk 65 crore to Pubali Bank's Agrabad branch, Tk 56 crore to Mercantile Bank's Khatunganj branch, Tk 40 crore to Mutual Trust Bank's Agrabad branch, Tk 35 crore to Bangladesh Commerce Bank's Agrabad branch, Tk 33 crore to Uttara Bank's Khatunganj branch and Tk 31 crore to NCC Bank's Andarkilla branch.

It also owes around Tk 600 crore to several other banks such as Standard, State Bank of India, IFIC, UCB, Eastern Bank, Prime Bank and City Bank and five non-banking financial institutions such as Midas Finance and Union Capital Ltd.

READ MORE ON B3

Collaboration to accelerate RMG wage digitalisation: study

STAR BUSINESS REPORT

Some 82 percent of the apparel factory owners will digitise wage disbursement if it assures transparency, saves time and lowers complexities, a recent study found.

The factory owners face multiple challenges with cash-based disbursements, the most pertinent of which is risks of transporting Tk 15-20 crore every month, found the study styled 'Prospects of wage digitisation in the apparel sector | Bangladesh 2019'.

The findings of the study conducted by consulting firm LightCastle Partners was unveiled yesterday at the capital's Six Seasons Hotel.

Losses caused by management malpractices and presence of fake and damaged notes are the other problems.

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Amer Salim, director of Knit Asia; Maj Gen (ret'd) Sheikh Md Monirul Islam, chief external and corporate affairs officer of bKash; Tina F Jabeen, investment adviser at ICT Division, and Maria A May, programme officer of Bill and Melinda Gates Foundation, attend the launch of a study on prospects of wage digitalisation in the apparel sector at Six Seasons Hotels in Dhaka yesterday.



A Rouf Chowdhury, chairman of Bank Asia, cuts a cake at an event at the Bank Asia Tower in Dhaka recently celebrating Tk 1,000 crore deposit in the bank's agent banking channel. Md Arfan Ali, president and managing director, was present.

Kamal sits with state banks today

STAR BUSINESS REPORT

Finance Minister AHM Mustafa Kamal will sit with the chairmen and chief executive officers of the state-owned commercial and specialised banks today to take stock of the overall situation of the financial sector.

The meeting is being convened as six of the eight state banks faced a capital shortfall in the first quarter of the year.

Bangladesh Bank Governor Fazle Kabir is also expected to attend the meeting at the conference room of the finance division, according to a statement.

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Bank Asia's agent banking deposits cross Tk 1,000cr

STAR BUSINESS REPORT

Bank Asia's deposits in agent banking have recently crossed the Tk 1,000 crore mark, further consolidating the bank's position in the sector.

Bangladesh Bank has so far given agent banking licences to 21 banks but 19 has so far rolled out their service. Of them, Dutch-Bangla Bank and Bank Asia are leading the pack with a combined market share of 78 percent.

Introduced in 2016, agent banking allows the underserved population to take limited scale banking and financial services by way of authorised agents.

Usually, the owners of the village stores conduct banking transactions -- such as cash deposits and withdrawals, loans and remittance disbursement -- on behalf of a bank.

As of March, total deposits through agent banking stood at Tk 3,734 crore, according to data from the BB.

In 2018, Tk 3,112 crore was received by way of agent banking, up from Tk 1,399 crore a year earlier.

A Rouf Chowdhury, chairman of the bank, along with directors and managing director, celebrated the landmark at an event held at the Bank Asia Tower in the capital recently. At present, Bank Asia has 2,880 agent banking points in 64 districts.

Rejoinder, our reply

Social Islami Bank Ltd (SIBL) has sent a rejoinder to a July 17 report of The Daily Star with the headline "Record loan rescheduling at Social Islami Bank".

Following is the full text of the rejoinder signed by the bank's Additional Managing Director Kazi Towhidul Alam:

As per the report, Tk 2,950 crore has been rescheduled by SIBL during the period January-March 2019 and the percentage of our classified investment is 11.70 percent as on March 31, 2019.

This information is not correct.

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FairElectronics

Hayes & Hoier

JAMUNA

M.K. Electronics

SONY

BRANGS

SINGER

TRANSCOM DIGITAL

VISION EMPORIUM

WALTON

Transaction amount must be minimum Tk. 50,000.

Card Member must keep outstanding of minimum Tk. 50,000 until converted to EMI.

Cash Back amount is fixed Tk. 5,000. Example: A Credit Card member may purchase electronic goods from above mentioned brand shops by minimum Tk. 50,000 and its multiples (up to Credit Limit), but will get Cash Back once i.e. fixed Tk. 5,000.

16206

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