

এসআইবিএল সুপার ডিপিএ বিশেষ সঞ্চয় কিম

প্রাক্কলিত মুনাফা:

৩ বছর	৫ বছর	১০ বছর
৯.২৫%	৯.৫০%	১০%

ইসলামী শরীয়া'র এর মূদালাবা নিয়তির বিধিত্তে পরিচালিত।

SIBL Social Islami Bank Limited

star BUSINESS

DHAKA SUNDAY SEPTEMBER 8, 2019, BHADRA 24, 1426 BS ● starbusiness@thedailystar.net

Non-bank entities can soon set up ATMs

AKM ZAMIR UDDIN

The central bank will allow non-bank entities to set up automated teller machines (ATMs) and point of sale (POS) terminals as it ramps up efforts to promote card-based transactions across the country.

The move will help people in distant parts of the country to settle their transactions without going to banks as some private companies already have plans to install a large number of ATMs, said a Bangladesh Bank official.

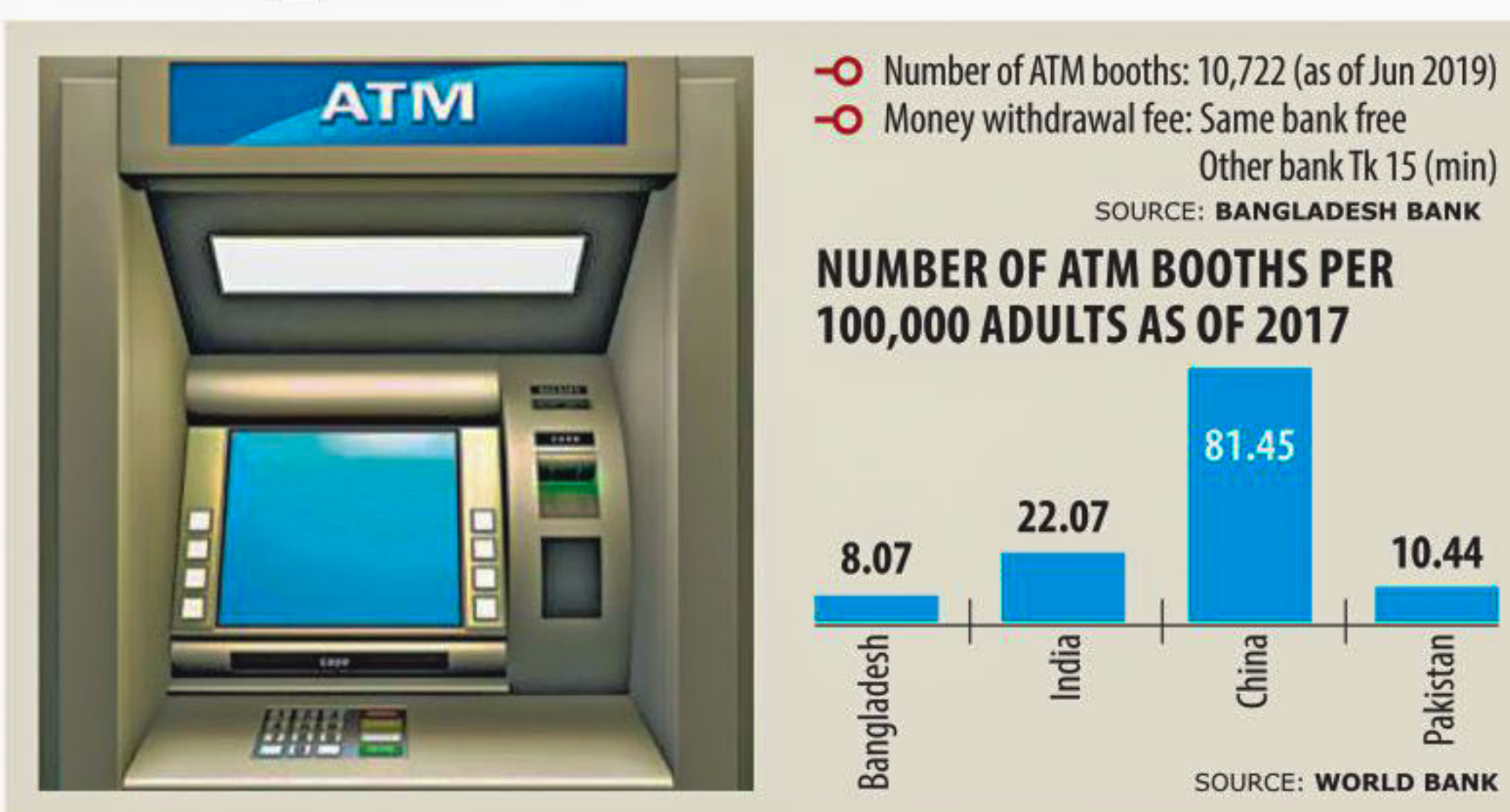
At present, only banks are allowed to set up ATM and POS, but they are now showing little interest in expanding the facilities given the high maintenance cost, additional manpower and high security measures.

The central bank has been working on the issue for long and has almost completed all relevant work to roll out the service.

A guideline will be issued within the next couple of months, the BB official added.

India's central bank has issued such a guideline in 2012 and allowed non-bank entities to set up ATMs in 2014.

The intended companies, which will set up ATMs and POS, will have to take licences from the central bank to act as a payment system



provider (PSO).

The PSOs will have to deposit Tk 50 lakh with the central bank.

Last month, Pay Union Bangladesh applied to the central bank seeking permission to set up ATMs and the central bank has taken the application positively as well.

Jasoda Jibon Debnath, managing director of the company, told The Daily Star that his fintech organisation would install at least 5,000 ATMs across the country.

As of June, banks have installed 10,722 ATMs and 52,846 POS terminals while they issued 12.03 lakh credit cards and 1.57 crore debit cards, according to data from the central bank.

"The number of ATMs and POSs will increase manifold if the central bank permits non-bank entities to set up the infrastructure," Debnath added.

Osman Haidar, director (business) of IT Consultants, said that his company had submitted application two years ago.

"We have enough preparation to install a good number of ATMs at a time when the central bank will issue the guideline," he said.

As per the central bank's guideline, the non-bank entities will have to set up ATMs evenly between rural and urban areas but with a view to deepening financial inclusion, the BB official said.

In many countries, banks hardly provide ATM service as dedicated non-bank entities have taken up the responsibility.

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Badly performing stocks fly amid market slump

AHSAN HABIB

At a time when investors are losing money on good stocks, gambling on underperforming companies is rampant.

In the last three weeks, the prices of 10 badly-performing companies' stocks soared 9 to 37 percent for seemingly no reason, when the overall market fell 4.26 percent, according to data from the Dhaka Stock Exchange.

The companies too informed the DSE that there is no reason for the abnormal price hike of the stocks.

The share price of Kay & Que, which was upgraded to 'B' category last year after languishing in the 'Z' category for seven years, jumped to Tk 235 from Tk 179 in the last three weeks.

If a company fails to provide less than 10 percent dividend then it is put in the 'B' category and if it fails to provide any dividend it becomes a 'Z' category stock.

Kay & Que's earnings per share (EPS) stood at Tk 0.65 in the last three quarters, down from Tk 0.69 a year earlier.

What is more, the company itself informed the investors that there is no reason for the abnormal price rise.

"Some people are playing with the stocks. Otherwise, it could not jump such a way," said a top official of a leading merchant bank.

He went on to blast the stock market regulator for not taking instant steps when prices of poorly performing companies are soaring.

The Bangladesh Securities and Exchange Commission (BSEC) can easily find out how and who are playing behind the scene, he added.

General investors are losing money by

TOP TEN GAINERS OF THE DSE
Aug 18-Sep 5

Company	Category	Gain (in %)
Monno Jute	A	37.3
Kay & Que	B	30.6
SS Steel	N	30.5
Standard Ceramic	B	29.7
Khan Brothers PP	B	24.7
Silco Pharma	N	21.8
Wata Chemical	A	20.1
United Airways	Z	18.8
Keya Cosmetics	Z	18.4
Stylecraft	A	18.3

SOURCE: DSE

investing in these low performing stocks when their prices are rising, said a stock broker preferring anonymity.

"So, the regulator should take necessary steps when the stocks rose abnormally," he added.

In the last two weeks, only three companies from the 'A' category were among the top 10 gainers.

The three companies also have low market capitalisation, meaning they are easy to manipulate.

Monno Jute Stafflers' paid-up capital is Tk 2 crore, Wata Chemicals' Tk 11.85 crore and Stylecraft Tk 5 crore. The three stocks rose 37.3 percent, 20.1 percent and 18.3 percent respectively.

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GP, Robi's parent companies back off from Asian merger

AFP, Oslo

Norwegian telecom operator Telenor said Friday talks on merging its Asian operations with Malaysian telecom group Axiata have ended due to complexities with the transaction.

The companies announced in May that they had entered talks on creating a new company to serve nearly 300 million customers in nine Asian countries.

Telenor would have controlled 56.5 percent of the shares and Axiata the remaining 43.5 percent.

"Due to some complexities involved in the Proposed Transaction, the parties have mutually agreed to end the discussion," Telenor said in a statement.

They did not rule out the possibility of a "future transaction", according to the statement.

The proposed company would have had its headquarters in Kuala Lumpur and be listed on an international stock exchange as well as the Malaysian exchange Bursa Malaysia.

In addition to northern Europe, Telenor currently has operations in Thailand, Malaysia, Bangladesh, Pakistan and Myanmar.

Axiata is present in Malaysia, Bangladesh, Cambodia, Nepal, Sri Lanka and Indonesia.

When Norwegian markets opened on Friday following the announcement Telenor shares fell 6.3 percent.

Beef up local govt to boost service delivery

Experts say at Sanem-World Bank event

STAR BUSINESS REPORT

Bangladesh has made remarkable progress in human and infrastructure development, yet access to quality education, healthcare, safe drinking water and sanitation is still a far cry, a top World Bank official said yesterday.

"There are several factors that hinder progress in the delivery of basic services. One factor is the absence of a well-functioning local government institution in Bangladesh," said WB Country Director for Bangladesh and Bhutan Mercy Miyang Tembon.

She spoke at the opening of the fourth South Asia Economic Network Conference at Brac Centre Inn in Dhaka.

The South Asian Network on Economic Modelling (Sanem) and The World Bank organised the two-day event on "Subnational finance and local service delivery".

Planning Minister MA Mannan inaugurated the event where researchers from India, Nepal, Sri Lanka and Pakistan were also present.

Bangladesh now has an administratively decentralised system with various levels



Planning Minister MA Mannan speaks at the opening of the fourth South Asia Economic Network Conference at Brac Centre Inn in Dhaka yesterday.

law and order are often delivered better when their provision is decentralised," she said.

In a session, former Bangladesh Bank governor Atiur Rahman said researchers, civil society think-tanks, NGOs and international development partners have long been emphasising on the need for empowering the LGs through fiscal and administrative decentralisation.

"Statistics also show that Bangladesh indeed is among the least decentralised countries among the world," he said, adding that share of LGI expenses is 7 percent of the total national budget.

It is much below the developing country average of 19 percent and 28 percent for developed countries, he added.

Rahman said Bangladesh has done well in terms of social and economic indicators.

But, as the country chases bigger dreams such as double-digit growth, eradication of poverty and issues related to decentralisation have become more important than ever before, he said, adding empowered LGs can better serve people.

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EBL arranges Tk 200cr for Butterfly refrigerator plant

STAR BUSINESS REPORT

Eastern Bank Limited (EBL) has arranged a syndicated term loan of Tk 208.69 crore for Butterfly Manufacturing Company Limited to help it establish a completely-knocked-down refrigerator manufacturing plant in Mymensingh.

The state-of-the-art plant will manufacture energy efficient, no-frost refrigerators with technical collaboration of LG Electronics. A deal closing ceremony was held at The Westin Dhaka recently, says a press release.

MA Mannan, Butterfly's chairman and managing director, MDs and CEOs Ali Reza Iftekhari of EBL, Arif Khan of IDLC Finance, M Fakhrul Alam of ONE Bank and SM Shamsul Arefin of Uttara Finance; DK Son, managing director of LG Electronics-Dhaka, and other representatives from participating financial institutions were present.

Trade war helps raise apparel export to US

Garment buying houses say automation is a big challenge

STAR BUSINESS REPORT

The US-China trade war is directly benefitting Bangladeshi exporters, with garment shipments to the US increasing over 3 percent this year compared to that last year, said the leaders of Bangladesh Garment Buying House Association yesterday.

Last year the shipments to Bangladesh's largest export destination decreased 2 percent year-on-year, said the association's President Kazi Iftequr Hossain at a press conference at its office in Dhaka.

Though Bangladesh will continue to benefit from the trade skirmishes, the biggest gainer is Vietnam which has received more work orders, he said.

The biggest challenges are fast adoption of automation and exploration of marketing avenues alongside meeting shortages of skilled mid-level manpower, he added.

"We need to produce massive numbers of trained human resources to survive in the business in the age of automation," said the association chief.

Some Bangladeshi garment exporters are already in business with Amazon, a US-based global e-commerce giant, and industry insiders say marketing through one of the world's largest online retailers leads to lesser dependence on human resources.

"So the automation has been taking place not only in the production of the garment items but also in the distribution of the goods," Hossain also said.

"Our garment business should be more technology dependent, otherwise we cannot go very far with the traditional marketing system and production in the factories," he said replying to queries of journalists.

The formulation of the textile law last year has allowed buying houses to get registered with the government and come to the mainstream, bringing discipline to the sector, he added.

Currently, the association has over 500 members, he said, adding that 46 have got registered with the government while another 164 have already applied.



Though Bangladesh will continue to benefit from the ongoing trade war, the biggest gainer will be Vietnam, buying houses say.

Economists wary of income inequality

STAR BUSINESS REPORT

Economists yesterday expressed concern over income inequality mounting side by side economic growth, saying this could emerge as a threat for the nation.

As per the latest Household Income and Expenditure Survey (Hies), the country's Gini coefficient in a worrying development stood at 0.482 in 2016, up from 0.458 in 2010.

Measured on a scale of 0 to 1, the Gini coefficient is an economic measure of equality; the closer it is to 1, the higher the inequality.

"Over 0.5 percent Gini coefficient in any economy is a dangerous position," said Prof Moinul Islam, former president of Bangladesh Economic Association (BEA).

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MTB এজেন্ট নিয়োগ

এমটিবি এজেন্ট ব্যাংকিং সেন্টার স্থাপনের মাধ্যমে ব্যাংকিং সেবা প্রদান করার লক্ষ্যে সারা বাংলাদেশে যোগ্যতা সাপেক্ষে এজেন্ট নিয়োগ করা হচ্ছে।

বিত্তরিত জানতে ০১৬৯২১৬২১৯, ০১৭৬৫০২৪৩৫

নিউমুদ্রা ট্রাস্ট ব্যাংক লিমিটেড Mutual Trust Bank Ltd.

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