

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY
▼ 1.07%	▼ 0.98%	\$1,492.10	\$58.83	▼ 0.78%	▲ 0.45%	▼ 0.01%	▲ 0.78%	BUY TK 83.75	91.17	101.50	0.76
4,810.21	8,900.57	(per ounce)	(per barrel)	37,880.40	21,551.98	3,089.48	2,947.71	SELL TK 84.75	94.97	105.30	0.80

এসআইবিএল
সুপার ডিপিএস
বিশেষ সঞ্চয় কিম
প্রাকলিত মুনাফা:
৩ বছর ৫ বছর ১০ বছর
৯.২৫% ৯.৫০% ১০%

Star BUSINESS

DHAKA FRIDAY OCTOBER 11, 2019, ASHWIN 26, 1426 BS starbusiness@thedailystar.net

Banking ills can derail growth

GDP growth to be 7.2pc this fiscal year, WB says in development update

STAR BUSINESS REPORT

Banking sector vulnerabilities and uncertain global outlook stand to take the momentum off the economy that looks set to grow at a robust pace in the medium term, the World Bank said in its latest update on Bangladesh.

"In Bangladesh, downside risks are primarily domestic," said the Washington-based multilateral lender in the report, which was unveiled yesterday at its office in Dhaka.

Private sector credit growth was weak, constrained by banking sector liquidity.

And one of the reasons liquidity remains constrained is the high default loans, which continued to rise.

As of June, the default loan ratio stood at 11.7 percent of total outstanding loans, up from 10.4 percent a year earlier.

And the default loans are not evenly distributed, with the state banks accounting for almost half of the total -- a result of directed lending, poor risk management, and weak corporate governance and prudential oversight, it said.

"Weak governance in the banking sector could impair its capacity to extend credit and support growth if the economy slows down," said Bernard Haven, senior economist of the WB and co-author of the report.



Zahid Hussain, a consultant of the World Bank's Dhaka office, speaks at a press briefing at the lender's office in the capital yesterday. Mercy Miyang Tembon, WB country director, was present.

For the banking sector, the overall and Tier 1 capital to risk-weighted assets ratio (CRAR) marginally exceeds internationally accepted minimum requirements. The latest stress test by the Bangladesh Bank in December 2018 indicates that credit concentration risk is threat to capital adequacy.

"For example, the default of the top three large borrowers results in 22 out of 48 complying banks falling below the minimum regulatory CRAR."

Furthermore, the central bank has made several concessions in the loan classification rules and write-off policies that are a departure from the global norms enacted in 2012

following the Basel III guidelines. This has affected the confidence of foreign suppliers on the ability of domestic banks to honour letters of credit payment obligations.

As a result, LCs issued by domestic banks commonly require confirmation by a correspondent bank to be acceptable by overseas suppliers, which has increased the financing cost of import transactions.

Meanwhile, other than the rising default loans, the declining deposit growth, US dollar sales by the BB to moderate the exchange rate and pressure on banks to limit lending rates to 9 percent also constrained the banks' supply of loanable funds.

READ MORE ON B3

Trade deficit narrows on falling imports

AKM ZAMIR UDDIN

Trade deficit narrowed slightly in the first two months of the fiscal year, helped by a decrease in both imports and exports in a sign that the country's overall business is facing sluggishness.

Between July and August, trade deficit, a situation when imports exceed exports, stood at \$1.97 billion, down 6.24 percent year-on-year, according to data from the central bank. Imports stood at \$8.62 billion, down 2.30 percent year-on-year and merchandise exports slipped 1.06 percent to \$6.64 billion.

The decreasing trend of import and export is not a good indication for any economy, but Bangladesh is facing such a bad state of affairs, said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

"The economy has been facing the sluggishness for the last few years. But imports went up last year as a section of people laundered money before the national elections in December," he said.

The falling trend of export and import has depicted the actual image of the country's macroeconomic situation, said Mansur, also the chairman of Brac Bank.

The import growth would have declined more if the import payments for petroleum products had not increased significantly.

Imports of crude petroleum rose 137 percent year-on-year to \$151 million. But the import of capital machinery fell 24.42 percent year-on-year to \$760 million.

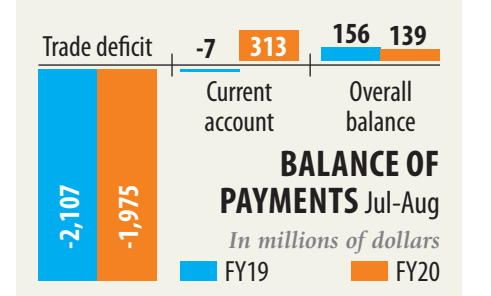
All segments of the financial sector have been facing hurdles, eroding the confidence of businesspeople, said Mansur.

Fresh investment will not pick up if the government fails to restore the confidence of businesses. Against the backdrop, a

quarter will try to launder money instead of making investment, he said.

"The government should give all-out efforts to perk up the economy, create fresh jobs and improve the living standard of people."

The export earnings from the garment sector have declined in July and August, raising an alarm, said Fahmida Khatun,



executive director of the Centre for Policy Dialogue (CPD). The policymakers should explore new destinations to give a boost to the RMG export, she said.

She said the country's external sector is going through volatility. So, the government should take prompt action to ward it off.

The economist said the peers of Bangladesh have devalued their currencies against the US dollar and the central bank should consider the issue to rein the instability deriving from the external sector.

The current account balance enjoyed a surplus of \$313 million during the July-August period, up from a deficit of \$7 million a year ago, BB data showed.

An increased flow of remittance has played a major role in registering the robust current account, said a Bangladesh Bank official, adding that the feeble import payments has also helped to this effect.

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Omera to install 2.6MW rooftop solar panel

STAR BUSINESS DESK

Omera Renewable Energy on Wednesday embarked on a partnership with Tarasima Apparels for installing a 2.6-megawatt rooftop solar panel.

Once installed, this would be the largest rooftop solar installation in the country, a statement claimed. Omera is a subsidiary of East Coast Group while Tarasima is of Bitopi Group.

Tanjil Chowdhury, managing director of East Coast Group, and Miran Ali, managing director of Bitopi, signed a memorandum of understanding at East Coast Centre in Dhaka. East Coast Group Chairman Azam J Chowdhury was present.

"This is a game changing moment for the country's energy sector," said Ali.

The renewable energy company aims to produce 200MW of electricity from rooftop solar installation by 2021, according to the statement.

DSE key index plunges to three-year low

STAR BUSINESS REPORT

Shares on Dhaka Stock Exchange fell during all the trading days last week, sending the key index to its three-year low of 4,810.21 points.

The DSEX, the benchmark index of the bourse, lost 127.61 points in the four days available for trading. The market was closed on Monday on the occasion of Durga Puja.

The fall in the last two weeks wiped off Tk 12,642 crore in investors' share value despite a number of recent steps taken by the government to give a boost to the market.

Market insiders say the government steps have failed to boost investors' confidence as the stock market regulator is yet to take any action against the manipulators of junk stocks.

Some junk stocks regularly featured in the list of top gainers every day during the weeks.

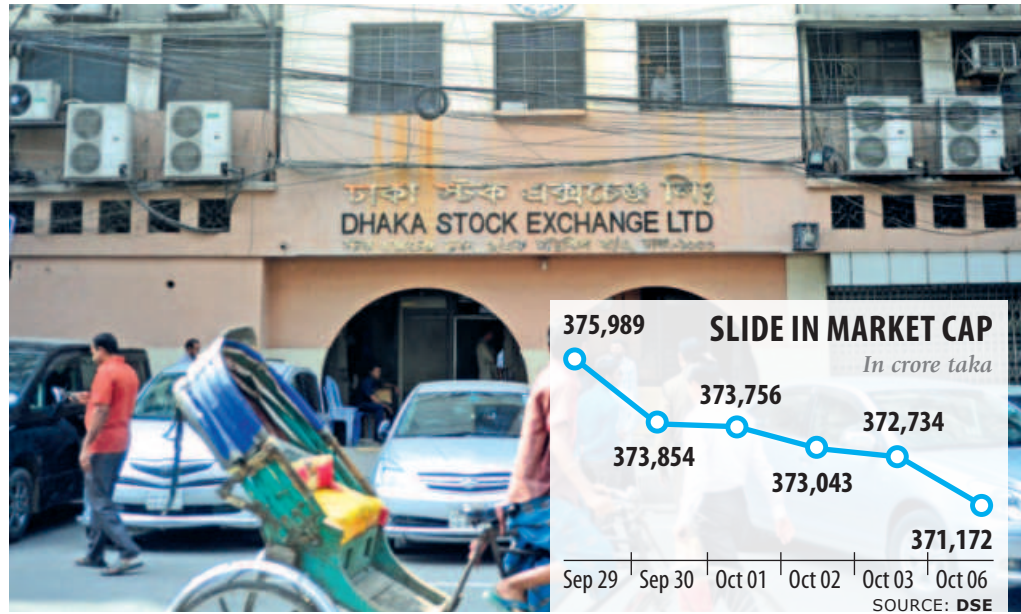
For instance, Zeal Bangla, Shyampur Sugar Mills, Maksons Spinning Mills, and Tung Hai Knitting were among the top gainers yesterday.

"Junk stocks rose in the last few days whereas the shares of well-performing companies moved in the opposite direction. Such a mismatch is not a good sign for the market," a stock broker said.

He said analytical-minded investors suffer in the market. Now, they are reluctant to inject money until they see a strong initiative from the regulator aimed at punishing manipulators.

"Junk stocks rise only because of manipulation," the broker added.

A merchant banker said when the market falls for a long period, it spooks investors' confidence. "In such cases, they don't invest because they



can't understand where the lowest point of the fall is. The market is now in such a position."

The DSE data showed that United Power Generation and Grameenphone were the top negative contributors to the index, shaving 14 points jointly off the prime index.

Turnover, however, rose 2.12 percent to Tk 327.81 crore.

National Tubes topped the turnover list with its shares worth Tk 24.13 crore being traded, followed by Bangladesh Shipping Corporation, Wata Chemicals, Atlas Bangladesh, and Silco

Pharmaceuticals.

Of the traded issues, 59 advanced, 271 dropped, and 23 remained unchanged.

Chittagong stocks also fell, with the bourse's benchmark index, the CSCX, declining 88.14 points, or 0.98 percent, to finish the day at 8,900.57.

Losers beat gainers as 183 securities declined, 34 advanced and 22 finished unchanged on Chittagong Stock Exchange.

The port city bourse traded shares and mutual fund units amounting to Tk 12.38 crore.

NEWS IN brief

IDLC venture capital gets nod

The Bangladesh Securities and Exchange Commission has approved IDLC Finance's application for opening a venture capital fund worth Tk 45 crore having a tenure of seven years. The fund would be utilised in sectors including fintech, enterprise solutions, core technologies, education, food and agri-tech and internet devices.

BSEC cautions three stock brokers

The stock market regulator has cautioned three stock brokers over breach of securities law.

Md Fakhrol Islam Securities Ltd failed to deposit an investor's money into his account while United Enterprises and Company delayed submitting its yearly financial audit report of 2017 to the regulator.

The third, EC Securities Limited, reappointed its managing director without taking the BSEC's approval.

Mirror Financial faces dealership licence cancellation

The BSEC has threatened to cancel the stock dealership certificate of Mirror Financial Management Ltd if it fails to bring its stock trading to "a sufficient level" by November 14.

Informing that the stock dealer of Dhaka Stock Exchange failed to trade stocks at "a sufficient level" in recent months, the regulator also fined the entity for breaching laws by giving margin loans to its officials' relatives.

The regulator warned of imposing more penalties if the broker fails to pay the complete fine and withdraw the margin loans by November 14.

Tea production surges on favourable weather

MINTU DESHWARA

Tea production grew 23.62 percent to 52.53 million kilogrammes as of August this year, in an indication that may see the country pull off the highest yield on record at the end of the current year.

The production of the tea leaves by the country's 166 tea gardens was 42 million kg in the first eight months last year.

If the current pace of production continues in the last four months of 2019, Bangladesh will set a new record for the past 165 years, thanks to good rainfall and favourable temperature, officials and garden owners said.

Some 67.38 million kg of tea was produced in 2015, which was 85.5 million kg in 2016, 78.95 million kg in 2017 and 82.13 million kg in 2018.

If the current trend remains unchanged, over 90 million kg of tea is expected to be produced by the end of the season in December, according to Mohammad Ali, director of Bangladesh Tea Research Institute (BTRI), and Md Jahangir Al Mustahidur Rahman, chairman of Bangladesh Tea Board.



Workers busy plucking leaves in Rangichhara tea garden in Kulaura of Moulvibazar recently.

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Sustainable banking reforms in progress

IFC-SBN report says Bangladesh among 38 countries to initiate the move

STAR BUSINESS DESK

Bangladesh is among 38 emerging market economies having initiated key banking reforms to drive development and fight climate change, according to a report of the countries' platform for sustainable finance.

These reforms require banks to assess, manage and report on environmental, social and governance risks in their lending operations and put market incentives in place for banks to lend to green projects.

International Finance Corporation (IFC)-facilitated Sustainable Banking Network (SBN) prepared the second Global Progress Report, the World Bank Group member said in a press release yesterday.

Established in 2012 with a commitment to sustainable finance, the SBN is now a community of 53 financial regulators and banking associations from the 38 countries, which represent \$43 trillion, or 85 percent, of emerging market banking assets.

Of the 38, some 22 adopted national

sustainable finance policies and voluntary principles, seven of which were launched in 2019 alone.

The report also captured the progress made by 14 countries to actively grow their green bond markets and data showed increasing innovation by financial institutions to green their lending portfolios.

In addition to providing practical resources for countries undertaking sustainable finance reforms, the report also highlighted the peer-to-peer knowledge sharing of the SBN members.

Bangladesh is among the group of countries advancing implementation of sustainable banking framework over the past few years.

Since 2011, Bangladesh Bank has developed several policies to promote sustainable finance, including policy guidelines on green banking in 2013, and Guidelines on Environmental and Social Risk Management in 2017.

READ MORE ON B3



Pratik Pota, CEO of Jubilant FoodWorks Ltd, and Rajeeb Samdani, chairman of Golden Harvest Group, launch the second outlet of Domino's Pizza on Garib-e-Newaz Avenue in the capital's Uttara on Wednesday. The American multinational pizza restaurant chain entered Bangladesh this year via a joint venture between Golden Harvest QSR and Jubilant FoodWorks which operates Domino's Pizza brand in India, Sri Lanka, Bangladesh and Nepal.

DOMINO'S PIZZA

US to issue licences for supply of non-sensitive goods to Huawei

REUTERS

The United States will soon issue licences allowing some US companies to supply non-sensitive goods to China's Huawei, the New York Times reported, as high-level officials from the two countries meet this week to resume trade talks.

Huawei Technologies Co Ltd, the world's biggest telecoms gear maker, has been put on a US trade blacklist since May, when trade talks between Washington and Beijing broke down. The United States says the company can spy on customers, which Huawei denies.

people familiar with the matter. A US Commerce Department spokesman told Reuters that no official direction has been granted to the department on the matter as of Wednesday afternoon.

Huawei did not immediately respond to Reuters requests for comment.

The blacklisting blocked Huawei from buying parts and components from US companies without US government approval, limiting its access to essential technologies such as Google Mobile Services.

US companies can seek a license for specific products to be exempted from the ban. The US Commerce Department has received more than 130 applications from companies for licenses to sell US goods to Huawei, Reuters reported in August.

The licensing decisions would give much needed clarity to American companies, which have been looking for guidance since Trump promised in late June to provide some relief to firms that did business with Huawei.

Government officials urged US companies to apply for licenses following US President Donald Trump's pledge of relief, saying exports to Huawei of non-sensitive items that are readily replaced by foreign competitors would be permitted.

The move comes as the two countries are set to meet later this week in Washington for talks to end their 15-month trade war. Tensions mounted after US administration expanded its blacklist on Monday by adding 28 Chinese entities, including top artificial intelligence startups, over human rights concerns.

Trump's administration gave the green light last week to start approving licenses for a few American companies to bypass the curbs, the New York Times said, citing

When asked about the possible exemptions China's government did not comment specifically, but instead called on the United States to treat Chinese companies fairly.

Following the September Fed meeting, the Commerce Department reported that in August annual growth in consumer spending had been the weakest in nearly a year.

"China urges the US side to cease its forced suppression and sanctions on Chinese companies, including Huawei, and fairly and justly treat Chinese enterprises," said Foreign Ministry spokesman Geng Shuang Thursday at a daily briefing.

Tariffs are forcing China to pay attention to US concerns, US Secretary of Commerce Wilbur Ross, who is on an official visit to Australia on Thursday, was quoted as saying in a copy of a speech seen by Reuters.

Fed members 'more concerned,' say recession risks rising

AFP, Washington

American central bankers have grown more fearful, saying a global slowdown and President Donald Trump's trade wars could drag down hiring and the broader economy with it, meeting minutes showed Wednesday.

While the outlook remains good for the moment -- with strong jobs markets, historically low unemployment and the general public continuing to loosen purse strings -- weaker recent economic data have put clouds on the horizon, the minutes from the Federal Reserve's September 17-18 meeting showed.

"Participants generally had become more concerned about risks associated with trade tensions and adverse developments in the geopolitical and global economic spheres," according to the minutes.

Several noted that models gauging recession probabilities had "increased notably in recent months." At the September meeting, a majority of Fed policymakers voted to cut interest rates and markets expect them to do so again later this month, acting to cushion the world's largest economy as exports weaken, industrial costs rise, foreign demand sinks and growth trends downward.

But members of the central bank are grappling with a complex economic picture, the minutes showed, as ominous developments creep into what has otherwise been a sunny vista of steady expansion and job creation.

While some policymakers have grown more anxious, a minority oppose rate cuts, saying the economy's current health does not justify them.

Economic forecasters expect third quarter GDP growth will prove the slowest of the year so far but remain solid, a view shared by members of the Fed's interest-rate-setting Federal Open Market Committee, according

generally judged that downside risks to the outlook for economic activity had increased somewhat since their July meeting, the minutes said.

Indeed, a "clearer picture" was emerging of a drawn-out decline in business spending, a recession in manufacturing and a steep fall-off in exports. The trade war has left companies and farms uncertain of where they can source products,

vulnerable, economists say.

The minutes also made clear that, for policymakers, weakening growth and recession were a far greater concern than inflation, which has run cooler than the Fed would like for much of the past decade.

Top Chinese trade officials on Thursday are due to resume talks with their US counterparts in Washington, with mounting speculation the two sides will strike a partial bargain that averts further escalation without resolving Washington's extensive grievances.

Following the September Fed meeting, the Commerce Department reported that in August annual growth in consumer spending had been the weakest in nearly a year.

Labor Department figures also released Wednesday showed softening demand for workers that month as well.

Meanwhile, indicators tracking manufacturing and services industries, as well as business and consumer confidence -- so-called "soft" indicators often seen as a harbinger for weakness in hiring and spending -- continued to worsen.

On the other hand, unemployment in August fell to its lowest level in 50 years, demand for housing is rising and the pace of hiring, while slower, remains more than strong enough to absorb new entrants into the labor market, economists say.

Wall Street appeared unmoved by the news, with stocks closing higher on optimism about this week's trade talks.



REUTERS/FILE

Security guards stand outside the Federal Reserve Bank of New York.

to the minutes. "Participants agreed that consumer spending was increasing at a strong pace," they said.

But several noted that skittish companies had stopped investing, which ultimately could cause "slower hiring, which in turn, could damp the growth of income and consumption." "Participants

what prices they will pay, who their customers will be and how much they can sell -- causing business investment to tumble this year.

As exports have fallen and factories have entered a prolonged slump, this has left consumer spending as the main pillar supporting growth and made the economy increasingly



UTTARA BANK

Azharul Islam, chairman of Uttara Bank, cuts a ribbon to open the bank's 236th branch at Katiadi in Kishoreganj yesterday. Faruque Alamgir, a director, and Mohammed Rabiul Hossain, CEO, were present.

Government of the People's Republic of Bangladesh					
National Board of Revenue					
Rajashaw Bhaban, Segunbagicha Dhaka-1000					
National Tender Notice					
1	Ministry/Division	Internal Resources Division (IRD).			
2	Agency	National Board of Revenue (NBR).			
3	Procuring entity name	Member (Customs Policy & ICT).			
4	Procuring entity code	N/A.			
5	Procuring entity district	Dhaka.			
6	Invitation for	Tender	Goods	(Single Lot)	
7	Invitation Ref. No.	08.01.0000.091.53.001.19.148.			
8	Date	11/10/2019.			
KEY INFORMATION					
9	Procurement method	Open Tendering Method	NCT		
FUNDING INFORMATION					
10	Budget and source of funds	Revenue Budget	Government		
11	Development partner (if applicable)	N/A.			
PARTICULAR INFORMATION					
12	Project/programme code (if applicable)	N/A.			
13	Project/programme name (if applicable)	ASYCUDA WORLD Implementation Programme.			
14	Tender package No.	Pkg02.			
15	Tender package name	Supply, Installation, Commissioning of the Data Center at Dhaka Custom House with 3 years IT Support Service.			
16	Tender publication date	11/10/2019.			
17	Tender last selling date	11/11/2019			
18	Tender closing date and time	12/11/2019	2:00pm		
19	Tender opening date and time	12/11/2019	2:30pm		
20	Name & address of the office(s)	Address(s)			
	Selling tender document (principal)	Second Secretary (ASYCUDA WORLD), Room No. 227 (First Floor), Rajashaw Bhaban, National Board of Revenue, Segunbagicha, Dhaka-1000.			
	Selling tender document (others)	N/A.			
	Receiving tender document	Second Secretary (ASYCUDA WORLD), Room No. 227 (First Floor), Rajashaw Bhaban, National Board of Revenue, Segunbagicha, Dhaka-1000.			
	Opening tender document	Member (Customs Policy & ICT) (4th Floor), Rajashaw Bhaban, National Board of Revenue, Segunbagicha, Dhaka-1000.			
21	Place/date of pre-tender meeting	Conference Room (4th Floor), Rajashaw Bhaban, National Board of Revenue, Segunbagicha, Dhaka-1000.	29/10/2019	11:00am	
INFORMATION FOR TENDERER					
22	Eligibility of tenderer	As per tender data sheet.			
23	Brief description of goods or works	Supply, Installation, Commissioning of the Data Center at Dhaka Custom House with 3 years IT Support Service.			
24	Tender document price	3000	BDT		
	Lot No.	Identification of lot	Location	Tender security amount in Taka	Completion time in weeks/ months
25	1	Single	National Board of Revenue (NBR)	3480000	06 months
PROCURING ENTITY DETAILS					
26	Name of official inviting tender	Syed Golam Kibria.			
27	Designation of official inviting tender	Member (Customs Policy & ICT).			
28	Address of official inviting tender	(4th Floor), Rajashaw Bhaban, National Board of Revenue, Segunbagicha, Dhaka.			
29	Contact details of official inviting tender	Phone: 8391894, e-mail: syedgolam.kibria13@gmail.com			
30	Special instruction	1. The procuring entity reserves the right to accept or reject any or all offers without assigning any reason. 2. If there is govt holidays or unavoidable situation arises on the date of tender receiving/opening in that case, the next normal working day will be considered valid date for receiving/opening of the tender at the same place and time.			
Syed Golam Kibria Member (Customs Policy & ICT) National Board of Revenue Segunbagicha, Dhaka					

GD-1661

Government of the People's Republic of Bangladesh					
National Board of Revenue					
Rajashaw Bhaban, Segunbagicha, Dhaka-1000					
National Tender Notice					
1	Ministry/Division	Internal Resources Division (IRD).			
2	Agency	National Board of Revenue (NBR).			
3	Procuring entity name	Member (Customs Policy & ICT).			
4	Procuring entity code	N/A.			
5	Procuring entity district	Dhaka.			
6	Invitation for	Tender	Goods	(Single Lot)	
7	Invitation Ref. No.	08.01.0000.091.53.001.19.147			
8	Date	11/10/2019			
KEY INFORMATION					
9	Procurement method	Open Tendering Method	NCT		
FUNDING INFORMATION					
10	Budget and source of funds	Revenue Budget	Government		
11	Development partner (if applicable)	N/A.			
PARTICULAR INFORMATION					
12	Project/programme code (if applicable)	N/A.			
13	Project/programme name (if applicable)	ASYCUDA WORLD Implementation Programme.			
14	Tender package No.	Pkg01.			
15	Tender package name	Supply, Installation, Commissioning and Migration of LAN/WAN Equipment, Transmission Network Equipment, Information Security Solution and necessary software with 3 years IT support service.			
16	Tender publication date	11/10/2019			
17	Tender last selling date	11/11/2019			
18	Tender closing date and time	12/11/2019	12	: 00	PM
19	Tender opening date and time	12/11/2019	12	: 30	PM
20	Name & address of the office(s)	Address(s)			
	Selling tender document (principal)	Second Secretary (ASYCUDA WORLD), Room No. 227 (First Floor), Rajashaw Bhaban, National Board of Revenue, Segunbagicha, Dhaka-1000.			
	Selling tender document (others)	N/A.			
	Receiving tender document	Second Secretary (ASYCUDA WORLD), Room No. 227 (First Floor), Rajashaw Bhaban, National Board of Revenue, Segunbagicha, Dhaka-1000.			
	Opening tender document	Member (Customs Policy & ICT) (4th Floor), Rajashaw Bhaban, National Board of Revenue, Segunbagicha, Dhaka-1000.			
21	Place/date of pre-tender meeting	Conference Room (4th Floor), Rajashaw Bhaban, National Board of Revenue, Segunbagicha, Dhaka-1000.	28/10/2	11	: 00 AM
INFORMATION FOR TENDERER					
22	Eligibility of tenderer	As per tender data sheet.			
23	Brief description of goods or works	Supply, Installation, Commissioning and Migration of LAN/WAN Equipment, Transmission Network Equipment, Information Security Solution and necessary software with 3 years IT Support Service.			
24	Tender document price	4000	BDT		
	Lot No.	Identification of lot	Location	Tender security amount in Taka	Completion time in weeks/ months
25	1	Single	National Board of Revenue (NBR)	14500000	06 months
PROCURING ENTITY DETAILS					
26	Name of official inviting tender	Syed Golam Kibria.			
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29	Contact details of official inviting tender	Phone: 8391894 e-mail: syedgolam.kibria13@gmail.com			
30	Special instruction	1. The procuring entity reserves the right to accept or reject any or all offers without assigning any reason. 2. If there is govt. holidays or unavoidable situation arises on the date of tender receiving/opening in that case, the next normal working day will be considered valid date for receiving/opening of the tender at the same place and time.			
Syed Golam Kibria Member (Customs Policy & ICT) National Board of Revenue Segunbagicha, Dhaka					

GD-1660

OECD suggests 'unified approach' to break deadlock on digital tax



Outside view of the Organization for Economic Co-operation and Development headquarters in Paris.

AFP, Paris
The OECD published Wednesday its suggestions for a "unified approach" on fairly taxing digital giants to break a deadlock in a dispute that has raised tensions between the United States and some EU allies.
The issue of how to tax digital giants like American firms Google, Apple, Facebook and Amazon prompted France earlier this year to pass its own law on taxing them, drawing anger from the United States.
France, backed by Britain, argues that the digital giants must pay taxes on revenues accrued in a country even if their physical headquarters is elsewhere.
Washington, meanwhile, fears that US companies have been singled out.

The world's top economies did agree, however, that the Paris-based Organisation for Economic Co-operation and Development (OECD) should work out suggestions that would form a basis for negotiations within the G20 to meet its goal for an international accord in 2020.
The OECD said in a statement that its proposal would help the talks to "ensure large and highly profitable multinational enterprises, including digital companies, pay tax wherever they have significant consumer-facing activities and generate their profits." It proposal would mean reallocating some profits and corresponding taxation rights to countries and jurisdictions where digital giants have their market.
The approach gathers common elements of three competing proposals from member countries, it said, describing its new effort as a

"unified approach".
The new rules would mean that such companies conducting significant business in places where they do not have a physical presence are taxed there.
"We're making real progress to address the tax challenges arising from digitalisation of the economy, and to continue advancing toward a consensus-based solution to overhaul the rules-based international tax system by 2020," said OECD Secretary-General Angel Gurría.
"Failure to reach agreement by 2020 would greatly increase the risk that countries will act unilaterally, with negative consequences on an already fragile global economy. We must not allow that to happen," Gurría said.
The OECD said the suggestions would be formally presented at a meeting of G20 finance ministers and central bank governors in Washington on October 17 and 18.
France has vowed it will scrap its digital tax once a new international levy is in place.
In September, Google agreed a settlement totalling around \$1 billion to end a tax dispute in France after similar settlements in Italy and Britain.

Google, like several other big American tech companies, has its European headquarters in Ireland, where the government has set the corporate tax rate at just 12.5 percent in a bid to attract big companies.
Amazon, whose European headquarters is in Luxembourg, another low-tax jurisdiction, said called the OECD's latest proposal "an important step forward".
"Reaching broad international agreement on changes to fundamental international tax principles is critical to limit the risk of double taxation and distortive unilateral measures," it said in a statement.
Amazon had warned in August that it would pass on the costs of France's new digital tax to firms which use its Marketplace platform for reaching consumers, instead of taking the hit itself.

India pursues China-led trade deal despite domestic opposition

REUTERS, New Delhi
India is pressing ahead with talks to join a China-led free trade pact, officials said on Thursday, despite the fears of some domestic producers that the country would be flooded with cheaper Chinese imports.
Negotiators for the 16-nation Regional Comprehensive Economic Partnership (RCEP) are in the Thai capital Bangkok this week for talks aimed at finalising the giant free trade zone by the end of the year.
Trade Minister Piyush Goyal will join Indian delegates on the weekend for direct talks with his counterparts from China, Japan, Australia, New Zealand and Singapore.
Indian producers fear cutting tariffs on dairy and other produce would open the door to cheap Chinese imports and threaten an agriculture sector that supports most of India's 1.3 billion people.
A political ally of Prime Minister

Narendra Modi's party has joined opponents of the free trade pact.
The nationalist Rashtriya Swayamsevak Sangh (RSS) called on Friday for a nationwide campaign against the deal, saying any change in tariffs would cripple factories and farms at a time of slowing economic growth.
"RCEP shackles the hands of the government to take the required policy measures to strengthen manufacturing and agriculture," said RSS economic leader Ashwani Mahajan.
Proponents of the deal say it's better for Indian agriculture to be in the trade zone than out.
"It would be better for India to have an open approach where agriculture can compete globally rather than adopt a conservative approach," said A. K. Gupta, director of the Agricultural and Processed Food Products Export Development Authority, which falls under the commerce ministry.



Migrant labourers sit on handcarts as they rest at a wholesale market in the old quarters of Delhi yesterday.



Sea Natural Food Chairperson Joya Ahmed Kabir, directors Amiran Hossain and Makame Mahmud, CEO TD Packir and BASIS President Syed Almas Kabir launch frozen seafood brand Roja of Sea Natural Food, a sister concern of Rangs Group, in Dhaka yesterday. The ready-to-fry-and-eat food items will be available at super stores such as Unimart, Meena Bazar, Agora, Shwapno and Lavender.

Banking ills can derail growth

FROM PAGE B1
"Increased bank borrowing by the government in such a situation will increase the risk of crowding out the private sector with adverse effects on private investments."
The external risks are also rising, although Bangladesh may benefit from trade diversion in the short term.
"Tariff escalation by the US against China may provide a further boost to exports in the short run if Bangladesh can capture some of the trade diversion."
But slower growth forecast in Bangladesh's major export markets can also slow down the country's momentum.
Euro area growth is projected to fall from 1.8 percent in 2018 to 1.4 percent in 2020, while growth in

the US is forecast to decline from 2.9 percent in 2018 to 1.7 percent in 2020.
There could also be a loss of competitiveness through exchange rate appreciation because of the BB's interventions in the foreign exchange market to stabilise the taka-US dollar rate, the WB said.
The report found that public investment management (PIM) remains a challenge as the annual development programme continues to be overloaded with too many projects while time and cost overruns remain ubiquitous.
Subsequently, the WB called for closing the infrastructure gap and timely implementation of ADP.
"Bangladesh's economy is projected to maintain strong growth backed by

sound macroeconomic fundamentals and progress in structural reforms," said Mercy Miyang Tembon, country director of the WB for Bangladesh and Bhutan.
"Bangladesh will need a high-productivity economy to achieve its growth vision."
The WB has forecast the Gross Domestic Product (GDP) growth rate of Bangladesh at 7.2 percent for 2019-20, while the government's projection for the same fiscal year in the national budget was 8.2 percent.
The GDP growth rate for 2018-2019, officially estimated at 8.1 percent, was higher than the previous fiscal year's rate of 7.9 percent, the report says, though it predicts a relatively lower growth for the upcoming fiscal year.

Trade wars lose US its competitiveness top spot

AFP, Geneva
The United States fell to second place behind Singapore in the World Economic Forum's flagship Global Competitiveness Report, with the slippage linked in part to President Donald Trump's trade wars.
The Forum, organisers of the glitzy annual gathering of business and political elite in Davos, have released an annual competitiveness report since 1979 that assesses which economies are well placed to see productivity and long-term growth.
While the report noted that the US "remains an innovation powerhouse" and the world's second most competitive economy, some trouble signs have emerged, the Forum said.
"There are no two ways (about) it. It is important to ensure the countries are being open to trade," said Saadia Zahidi, a Forum managing director, when asked to comment on the impact of the tariffs imposed by the Trump administration.
She noted the lack of "hard data" on the impact of US tariffs imposed on several of its main economic partners, as the set of products impacted remains limited compared to overall trade. But, she said, "the sentiment" surrounding investing in the US "has been going down," she told reporters in Geneva.

Sustainable banking reforms in progress

FROM PAGE B1
These guidelines encourage banks and financial institutions to incorporate environmental and social risk management into their credit activities, and to publish green banking and sustainability reports.
The guidelines reflect the Bangladesh government's commitment to sustainability and importance of the banking and financial sector in achieving progress towards sustainable development goals and nationally determined contributions. "The SBN members have demonstrated that transforming financial markets toward sustainability is possible," said IFC Vice President Georgina Baker.
"Emerging markets are on the forefront of this shift - and the SBN's tools and guidance have laid the groundwork for more countries to follow suit," she said.
"It is aspiring for us to observe the remarkable progress of Bangladesh among its peers in the SBN global report," said Khondkar Morshed Millat, general manager of the sustainable finance department at Bangladesh Bank.
"The report also provides us worthy snapshot of spaces to improve further through innovation in the coming years," he said. "Ultimately, the SBN is about collaboration," said Ye Yanfei, deputy director-general of the China Banking and Insurance Regulatory Commission and co-chair of SBN Measurement Working Group.
"By bringing together regulators, policymakers, trade associations and development institutions, the SBN has been able to not only turn sustainable finance policies into action, but also strengthen measurement to capture market impact."

UK economy shrinks but set to avoid recession

AFP, London
Britain's Brexit-facing economy shrank in August, official data showed Thursday, but analysts say a better-than-expected July is expected to help it avoid recession.
Gross domestic product -- the combined value of all goods and services produced in the economy -- slid 0.1 percent in August from July, the Office for National Statistics said in a statement.
That contrasted however with upwardly-revised monthly expansion of 0.4 percent in July.
Sterling barely budged on the August reading, which was only moderately worse than market expectations of zero growth.

Tea production surges on favourable weather

FROM PAGE B1
Not only there has been an increase in production, the quality of tea has also improved, Ali said.
The total rainfall was about 3,315 millimetres in Sylhet Division this year, said Syed Ahmed Chowdhury, senior meteorologist of Bangladesh Meteorological Department in Sylhet. The division is home to more than 80 percent of the country's tea gardens.
Although there was no rainfall in January, the number of days that witnessed rains has increased which is very useful for tea, he added.
Koloti Robidas, a tea worker of Bharaura tea garden in Sreemangal of Moulvibazar, said she has already collected more than 25kg of tea leaves every day this year owing to timely rains, whereas it was difficult to pick 15 kg of leaves every day this time in the past.
KM Rafiqul Haque, director of the project development unit in Sreemangal of the tea board, said abandoned land of each garden has been brought under tea cultivation. Tea cultivation has also increased in micro-farms in Panchagarh and Lalmonirhat.
A large amount of tea can be exported after meeting local demand this year if the

ongoing pace of production is sustained, he said.
Haque said the BTRI has given proper advice on the control of tea moths and insects and this has had a positive effect on the production.
M Shah Alam, chairman of Bangladesh Tea Association, the platform of garden owners, said thanks to the various steps taken by tea garden authorities and the tea board, production was increasing this year.
Zahar Tarafdar, general secretary of the Bangladesh Tea Traders and Planters Association, said the quality of tea was not deteriorating on the back of direct auctions in Sreemangal.
Makhon Lal Karmakar, president of Bangladesh Tea Workers Union, said tea workers were very happy because of the increased production, which has helped them earn more.
Commercial tea cultivation started in 1854 in Sylhet's Malinichhara tea garden. Currently, there are 166 tea gardens registered with the tea board. Of them, 91 are in Moulvibazar, 25 in Habiganj, 19 in Sylhet, 22 in Chattogram, seven in Panchagarh, two in Rangamati, and one in Thakurgaon.
The government has set a target to produce 74.14 million kg of tea this year.



East Coast Group Chairman Azam J Chowdhury, Managing Director Tanjil Chowdhury and Bitopi Group Managing Director Miran Ali attend a deal signing ceremony at East Coast Centre in Dhaka on Wednesday. Story on B1

Bangladesh Lamps Limited

Sadar Road, Mohakhali
Dhaka - 1206
Price Sensitive Information
Based on Audited Financial Statements of the Company for the year ended 30th June 2019, the Board of Directors of Bangladesh Lamps Limited at its meeting held on 10-10-2019 at 3:00 pm, decided to recommend cash dividend of Tk.2.00 per share of Tk.10/- each (i.e. 20%) for the said period.
The date of 58th Annual General Meeting of Bangladesh Lamps Limited has been fixed to be held on **Thursday, 05-12-2019** at 11:00 a.m. at the Dhaka Banquet Hall (former Emmanuel's Banquet Hall), House No. 04, Road No. 134-135, Gulshan-1, Dhaka. The register of members and share transfer book of the Company and the depository register of CDBL will remain closed on **03-11-2019, as Record Date.**
The key financial statistics as per the Audited Financial Statements of the Company are as follows:

	For the year ended & as at 30 June 2019	For the year ended & as at 30 June 2018
Net asset value (NAV) per share	Tk. 92.34	Tk.88.59
Earnings per share (EPS)	Tk. 3.12	Tk. 4.32
Net operating cash flow per share (NOCFFPS)	Tk. 3.03	Tk.(25.01)

The shareholders whose names appear in the Register of Members of the Company on the Record Date will be eligible to attend the meeting and qualify for dividend.
By order of the Board
Mohammad Ruhana Miah
Mohammad Ruhana Miah
Company Secretary
Dhaka
10-10-2019
NOTES:
Shareholders bearing BO ID are requested to update their mailing & e-mail address through their Depository Participant (DP); and
Shareholders bearing Folio Numbers are requested to submit their e-mail address to the Share Department of the Company latest by October 31, 2019.
ট্রানস্টেক TRANSTEC