

STOCKS	
DSEX ▲ 0.23% 4,782.09	CSCX ▲ 0.26% 8,840.47

COMMODITIES	
Gold \$1,487.20 (per ounce)	Oil \$59.42 (per barrel)

ASIAN MARKETS			
MUMBAI ▲ 0.63% 39,298.38	TOKYO ▲ 0.18% 22,492.68	SINGAPORE ▼ 0.38% 3,114.16	SHANGHAI ▼ 1.32% 2,938.14

CURRENCIES			
\$ USD	€ EUR	£ GBP	¥ JPY
BUY TK 83.75	92.55	107.81	0.75
SELL TK 84.75	96.35	111.61	0.79



BUSINESS

DHAKA MONDAY OCTOBER 21, 2019, KARTIK 5, 1426 BS starbusiness@thelystar.net



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Defaulters rush to state banks to reschedule loans

HC extends application deadline by a month

STAR BUSINESS REPORT

Five state-owned commercial banks have received nearly 80 percent of loan rescheduling applications as defaulters rush to regularise their credits on easy terms under a special facility extended by the central bank.

Around 4,000 loan rescheduling proposals have been submitted as of yesterday, the last day for sending in the applications as per the latest deadline, according to the officials of the banks.

The number of applications may go up further as the High Court yesterday extended the deadline by a month.

Of the lenders, five state-run commercial banks Sonali, Janata, BASIC, Agrani and Rupali received more than 3,000 proposals.

While the state-run banks were flooded with the rescheduling applications, the picture was opposite for private banks as they were not much interested about offering the wholesale facility to the defaulters.

"We have got many applications on political consideration. If approved, the rescheduling of loans will bring down the non-performing loans (NPLs)," said a senior official of Janata Bank.

The bank received more than 700 proposals involving around Tk 10,000 crore, including Tk 3,000 crore for AnonTex Group.

Md Abdus Salam Azad, managing director of Janata

BANKS WITH HIGHEST LOAN RESCHEDULING APPLICATIONS

Sonali	1,000
Janata	750
Agrani	340
Basic	530
Rupali	250

Bank, neither received phone calls nor responded to text messages of this correspondent.

Troubled BASIC Bank received more than 500 applications involving loans amounting to Tk 2,300 crore, an official of the bank said.

On May 16 this year, the Bangladesh Bank issued a circular allowing borrowers who got defaulted by December last year to reschedule their loans for 10 years, by giving a down payment of only 2 percent instead of the existing at least 10 percent.

The BB also capped the maximum interest rate at 9 percent, down from the existing rate of 10-14 percent.

Also, based on a bank's relationship with a client, the accrued interest on the defaulted loan can be waived, leaving the defaulter to pay only the principal amount with the new interest rate of 9 percent.

"We receive rescheduling applications from our clients regularly. We are cautious and we will not extend the facility to all," said Syed Mahbubur Rahman, managing director of Dhaka Bank, a private commercial lender.

Rahman, however, said the move would help banks reduce NPLs and book higher income.

"We have received some rescheduling applications, but the number is not big," said Shafiqul Alam, managing director of Jamuna Bank.

Now banks will scrutinise the applications and go for the rescheduling with the approval of the boards.

Bankers say they will not need to take prior approval from the central bank if they stick to the conditions stated in the circular.

The central bank had extended similar facilities in January 2015 but the move did not yield any success. At that time, 11 large business groups got their loans of nearly Tk 15,000 crore restructured on relaxed terms.

But the amount swelled to Tk 17,103 crore as repayments were not made, according to a recent BB document.

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NBR to cut shipment clearance times

STAR BUSINESS REPORT

The government aims to bring down the clearance time for imported consignments to two days from the existing eight days by 2022.

For exports, it targets 24 hours from the existing five days by bringing all 39 agencies involved in processing overseas shipments under a single electronic platform.

This was disclosed at a workshop jointly organised by the National Board of Revenue (NBR) and the International Finance Corporation (IFC) at The Palace Luxury Resort in Habiganj yesterday.

With support from World Bank-financed Bangladesh Regional Connectivity Project 1, the NBR is implementing a \$74 million National Single Window (NSW) project to establish an electronic gateway to speed up the clearance process and reduce business costs.

A press statement says the NSW would deliver a user-friendly, electronic system that streamlines and automates procedures for registered private sector stakeholders and government agencies for international trade-related permits, licences, certificates, and customs declarations.

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Sajeeb Wazed Joy, ICT affairs adviser to the prime minister, speaks at the launch of new digital platforms of the government at ICT Tower in Dhaka yesterday.

Govt launches three online platforms

STAR BUSINESS REPORT

Three digital one-stop platforms -- Eksheba, Ekpay and Ekshop -- to enable people to get different government services and pay utility bills and fees were launched yesterday.

Prime Minister's ICT Affairs Adviser Sajeeb Wazed Joy launched the platforms in a ceremony organised by the Information and Communication Technology (ICT) division at the ICT Tower in Dhaka.

The platforms were developed by the Access to Information (a2i) programme under the ICT division.

By 2021, the government plans to deliver majority of the citizen services through the mobile phone or union digital centres, said Joy at the launch, report BSS.

Using the Ekpay platform citizens will be

able to pay all kinds of utility bills, tuition fees for education and other government payments like holding taxes easily.

Currently, EkPay is offering bill payment solutions to over 50 assisted agents and more than 50,000 syndicated agents.

Some 15 banks have already been integrated with the platform and more than 30 service providers are currently allowing their customers to pay bills with their cards, bank accounts including internet banking, mobile financial services, among other options.

Currently, there are just six options, but in the coming days more and more options will be integrated with the payment gateways and all the banks will be connected, said Rezwunul Haque Jamil, head of commercialisation at a2i.

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Beza to add four more one-stop services today

STAR BUSINESS REPORT

The Bangladesh Economic Zones Authority (Beza) will introduce four more services to the one-stop service (OSS) centre for investors today as the government looks to ramp up its efforts to lure in investors.

"This will remove all hassle for investors in completing their official processes for investment," said Beza Executive Chairman Paban Chowdhury.

He is hoping the centre would provide faster services and remove red tape complexities. "Investors will not need to meet any official of my office physically."

By June 30 next year investors will get 125 services under 27 categories from the OSS centre, but from today they would get 15 services in total, he said.

Entrepreneurs investing in the economic zones will get all types of trade and investment services from various government agencies within 45 working days of their application, according to the OSS rules.

Framed under the One-Stop Service Act 2018 the rules make it compulsory for 25 investment facilitating agencies and regulatory authorities to give registration, issue clearance, permits and other documents within 45 days.

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FINANCE MINISTRY

Finance Minister AHM Mustafa Kamal, second from left, takes part in a discussion with the officials of Citibank NA on the sidelines of the World Bank IMF Annual Meetings 2019, at World Bank's headquarters in Washington on Saturday. The minister also had a separate meeting with the officials of HSBC on the day. Both the banks showed interest to increase their investments in the bond and stock market of Bangladesh.

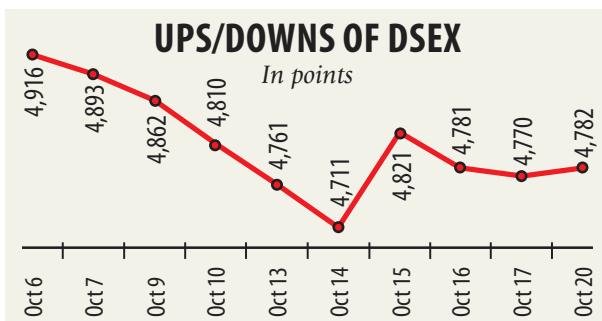
Junk stocks soar on expectation of manipulation

STAR BUSINESS REPORT

Junk stocks yesterday soared once again upon speculation, much to the bafflement and frustration of analysts.

Five poorly performing companies from the Z category -- Information Services Network, Emerald Oil, Progressive Life Insurance, United Airways and Meghna Condensed Milk -- and a B category company occupied six of top 10 gainers' list. Agrani Insurance, a B category company, was also in the list.

When a company fails to provide dividend or hold



annual general meetings or its factory remains closed it is in the Z category.

"A rumour was spread in the market that junk stocks would be manipulated by some big players, so some retail investors bought the stocks," said a top official of a leading merchant bank requesting anonymity.

General investors are not rushing towards stocks of well-performing companies, whose prices are not rising as much.

"They are falling for manipulation," he said, while calling for crackdown on such practice.

Otherwise, investors will go after junk stocks, he added.

A stock broker echoed the same.

General investors are frustrated that well-performing stocks have been sliding in the last few months.

In the last two weeks, DSEX, the benchmark index of the DSE, fell 3.13 percent, whereas DS-30, the blue-chip index, lost 4.33 percent.

"People rushed for other stocks as blue-chip stocks fell severely," the stock broker added.

Meanwhile, the index shed 39.2 points last week.

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Mirsarai Economic Zone set to open next month

Chinese firm becomes first company to start operation

JAGARAN CHAKMA, back from Mirsarai

One factory will go into operation at the Mirsarai Economic Zone (MEZ) next month and another five by June next year as the country's largest industrial enclave is all set to open its doors to both local and foreign entrepreneurs.

Jinyuan Chemical Industry Ltd, a Chinese company which exports chemical products to the US and Canada, will be the first company to begin operations in the economic zone.

The MEZ will be the first public economic zone to go into operation as part of the government plan to set up 100 industrial enclaves across the country to give a boost to industrialisation.

"I have received all clearances to start the operation of the factory," Wang Yang, chairman of Jinyuan Chemical Industry, told The Daily Star recently.

Yang shifted her factory from China to Bangladesh in order to lessen tariff burden while exporting products to North America.

"My first aim is to avoid the



A factory of Jinyuan Chemical Industry Ltd is seen inside Mirsarai Economic Zone in Chattogram. The unit is all set to start operation in a month.

impacts of the US-China trade conflict and make my products competitive," she said.

She invested \$6 million in the first phase of the factory and created jobs for 50 people. "I have a plan to increase the investment in future."

"The MEZ is not a dream -- now it is almost materialised," Paban Chowdhury, executive chairman of the Bangladesh Economic Zones Authority (Beza), said.

Five more factories will go into operation in the zone by June next year, he said.

The factories are Modern Syntex, Bangladesh Auto Industries Ltd (BAIL), Nippon & McDonald Steel Industries Ltd, Asian Paint, and Arman Haque Denim Ltd.

Local automobile company BAiL will start producing electric vehicles at the plant for the local market by July. BAiL Chairman A Mannan Khan said.

The plant on 100 acres of land will be ready by December this year, BAiL Managing Director Mir Masud Kabir said.

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